

**DIRECT TESTIMONY AND EXHIBITS OF**

**LANE KOLLEN**

**ON BEHALF OF**

**THE SOUTH CAROLINA OFFICE OF REGULATORY STAFF**

**DOCKET NO. 2020-125-E**

**IN RE: APPLICATION OF DOMINION ENERGY SOUTH CAROLINA,  
INCORPORATED FOR ADJUSTMENT OF RATES AND CHARGES**

**I. QUALIFICATIONS**

**Q. STATE YOUR NAME, BUSINESS ADDRESS AND OCCUPATION.**

**A.** My name is Lane Kollen. I am a Vice President and a Principal of J. Kennedy and Associates, Inc. ("Kennedy and Associates"). My business address is 570 Colonial Park Drive, Suite 305, Roswell, Georgia 30075.

**Q. DESCRIBE YOUR EDUCATIONAL BACKGROUND AND PROFESSIONAL EXPERIENCE.**

**A.** I earned a Bachelor of Business Administration in Accounting degree and a Master of Business Administration degree from the University of Toledo. I also earned a Master of Arts degree in theology from Luther Rice University. I am a Certified Public Accountant ("CPA"), with a practicing license, a Certified Management Accountant ("CMA"), and a Chartered Global Management Accountant ("CGMA"). I am a member of numerous professional organizations.

I have been an active participant in the utility industry for more than forty years, initially as an employee of a company that installed underground cablevision and telephone wire from 1974 to 1976, then as an employee of The Toledo Edison Company in various

1 accounting and planning positions from 1976 to 1983, and thereafter as a consultant in the  
2 industry. I have significant experience in utility accounting, ratemaking, financing, tax  
3 planning, and resource planning. I have conducted revenue requirement evaluations,  
4 planning and financial analyses, prudence and operational reviews and audits, merger and  
5 acquisition analyses, traditional ratemaking evaluations, alternative and performance based  
6 ratemaking assessments, integrated resource planning reviews, and operational audits.

7 I have filed expert testimony and reports and testified as an expert on utility  
8 ratemaking, accounting, finance, tax, planning, and other issues before state and federal  
9 courts and regulatory commissions on hundreds of occasions. I am experienced in various  
10 proprietary and nonproprietary software systems used by utilities for budgeting, rate case  
11 support and strategic and financial planning.<sup>1</sup>

12 **Q. ON WHOSE BEHALF DO YOU PROVIDE THIS TESTIMONY?**

13 **A.** I am providing this testimony on behalf of the South Carolina Office of Regulatory  
14 Staff (“ORS”).

15 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE PUBLIC SERVICE**  
16 **COMMISSION OF SOUTH CAROLINA (“COMMISSION”)?**

17 **A.** Yes, I testified on behalf of ORS in Docket No. 2017-370-E involving the  
18 Dominion Energy, Incorporated’s (“Dominion”) acquisition of SCANA Corporation, the  
19 cancellation of V.C. Summer 2 and 3 (“Summer 2 and 3”), and the Tax Cuts and Jobs Act  
20 (“TCJA”). I addressed certain merger conditions and ratemaking recovery of merger costs  
21 incurred by Dominion Energy South Carolina, Inc. (“DESC”) and its affiliates; the  
22 prudence and ratemaking recovery of the Summer 2 and 3 cancellation costs; and the

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<sup>1</sup> I have included a summary of my education, experience, professional certifications, professional memberships, and expert testimonies in Exhibit LK-1.



1 requirement and the Company's calculations in 2019 that affect the NND regulatory  
2 liability that is used to partially fund the CCR revenue requirement.

3 **Q. PLEASE SUMMARIZE YOUR TESTIMONY.**

4 **A.** The Company properly removed the effects of the Summer 2 and 3 cancellation  
5 costs from the base revenue requirement that are recovered exclusively through the CCR,  
6 except for certain additional Summer 2 and 3 cancellation costs that were incurred after the  
7 merger closed in January 2019. The Company incurred these additional costs to redeem  
8 approximately \$1.8 billion of long-term debt used to finance the Summer 2 and 3  
9 cancellation costs and other related costs that were disallowed and written off. The early  
10 redemptions of long-term debt resulted in additional Summer 2 and 3 cancellation costs  
11 and an increase in the cost of long-term debt from 5.56% prior to these redemptions to  
12 6.46% after the redemptions, which the Company now seeks to recover through the base  
13 revenue requirement.

14 These additional Summer 2 and 3 cancellation costs are not recoverable for  
15 ratemaking purposes through either the base revenue requirement or the CCR revenue  
16 requirement. The Company's request is contrary to the Commission's Order in Docket  
17 No. 2017-370-E, which excludes recovery of *all* Summer 2 and 3 cancellation costs from  
18 the base revenue requirement, specifically limits the recovery of the Summer 2 and 3  
19 *allowed* costs to the CCR, and also set the cost of debt on the Summer 2 and 3 *allowed*  
20 costs at 5.56% for the entire 20-year term of the CCR, regardless of the Company's actual  
21 cost of debt in future years.

1 I recommend that the Commission remove these additional Summer 2 and 3  
2 cancellation costs by setting the cost of long-term debt to 5.56%, the cost prior to the early  
3 redemptions and the cost previously approved in Docket No. 2017-370-E.

4 The Company's base revenue requirement incorporates all effects of the TCJA,  
5 including the effects presently reflected in the Tax Rider, which will be terminated when  
6 base rates are reset in this proceeding.<sup>2</sup> The Company proposes to continue the  
7 amortization and refunds of the *non-property-related unprotected* EDIT regulatory  
8 liabilities over the five years approved for purposes of the Tax Rider in Docket No. 2017-  
9 370-E. The Company proposes to continue the amortization and refunds of both the  
10 *property-related protected* and *unprotected* EDIT regulatory liabilities using the Average  
11 Rate Assumption Method ("ARAM") approved by the Commission for purposes of the  
12 Tax Rider in Docket No. 2017-370-E. The ARAM results in an amortization period of 50  
13 years on average.<sup>3</sup> Although the ARAM is required by the TCJA for the *protected* EDIT  
14 regulatory liabilities, there is no such requirement for the *unprotected* EDIT regulatory  
15 liabilities. The amortization period for all *unprotected* EDIT is at the sole discretion of the  
16 utility's regulatory commission.

17 This is the Company's first base rate case proceeding since Docket No. 2017-370-  
18 E. The Commission has an opportunity to revisit the amortization period for the *property-*  
19 *related unprotected* EDIT regulatory liability refunds in this proceeding. The use of the  
20 ARAM for the *property-related unprotected* EDIT regulatory liabilities results in a 50  
21 years amortization and refund period, an inordinately and unnecessarily long delay in  
22 refunds to the ratepayers who actually paid these excessive amounts in years prior to 2018.

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<sup>2</sup> The CCR reflects the effects of the TCJA on the Summer 2 and 3 cancellation costs.

<sup>3</sup> DESC Exhibit C-1 (Exhibit No. (KCC-1)) at 23.

1 A shorter amortization and refund period would mitigate the effects of the base revenue  
2 increase. A shorter amortization and refund period is appropriate for refunds to the  
3 customers who paid excessive taxes collected in prior years rather than providing their  
4 refunds to future customers over the next 50 years. A shorter amortization period would  
5 be equitable and more consistent with the Company's recovery of the asset NOL EDIT  
6 over ten years as reflected in the CCR and would more closely match the five-year  
7 amortization period for the non-property-related *unprotected* EDIT regulatory liabilities  
8 presently reflected in the Tax Savings Rider.

9 I recommend that the Commission revisit the amortization and refund period and  
10 adopt a five-year period for the remaining balance of the *property-related unprotected*  
11 EDIT regulatory liabilities starting on the date that base rates are reset in this proceeding.  
12 This will result in an actual eight-year amortization and refund period when combined with  
13 the three years of amortization and refunds reflected in the Tax Rider revenue requirements  
14 through the end of 2020. The effect is a reduction in income tax expense of \$15.914 million  
15 compared to the amount included by the Company in the base revenue requirement.<sup>4</sup>

16 The Company's proposed base revenue requirement includes the entirety of the  
17 Summer 2 and 3 transmission costs (referred to by the Company as the New Nuclear  
18 Development or NND transmission costs),<sup>5</sup> including the costs that were excluded in part  
19 from base or rider recovery and deferred for subsequent review pursuant to the

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<sup>4</sup> The amount cited is stated on a South Carolina retail jurisdictional basis and is an adjustment to reduce income tax expense. The revenue requirement effect is \$21.205 million.<sup>5</sup> The Summer 2 and 3 transmission costs do not include the cost of the switchyard, which the Company has written off in accordance with the Commission's Order in Docket No. 2017-370-E.

<sup>5</sup> The Summer 2 and 3 transmission costs do not include the cost of the switchyard, which the Company has written off in accordance with the Commission's Order in Docket No. 2017-370-E.

Commission's Order in Docket No. 2017-370-E.<sup>6</sup> The proposed base revenue requirement encompasses the return on the rate base costs, the related income tax expense on the equity component of the return, and the related operating expenses, which include operation and maintenance expenses, administrative and general expenses, depreciation expense, and other taxes expense (property tax expense and payroll tax expense). The Company's proposed base revenue requirement assumes no disallowance of these Summer 2 and 3 transmission costs.

The Company's proposed base revenue requirement includes a regulatory asset and the related amortization expense for certain Summer 2 and 3 transmission cost revenue requirements that were deferred for subsequent review pursuant to the Commission's Order in Docket No. 2017-370-E. The Company's proposed base revenue requirement assumes no disallowance of these costs.

To the extent that the Commission disallows any of the Summer 2 and 3 transmission costs, then this will affect the regulatory asset as well. I describe how such a disallowance of the Summer 2 and 3 transmission costs should be reflected in the regulatory asset and provide a template for the calculation of this related disallowance.

In addition, ORS recommends that the Company's regulatory assets be calculated based on actual amounts that exclude estimated amounts. If the rate base and amortization expense are calculated based on actual amounts, then this recommendation will result in a

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<sup>6</sup> The Commission excluded all Summer 2 and 3 transmission costs in excess of the \$275 million already included in the base rates and excluded all operating expenses, specifically depreciation expense, property tax expense, and O&M expense, which the Company was allowed to defer, as more fully described in the Commission's Order in Docket No. 2017-370-E.

1 rate base amount of \$33.143 million (net of the related ADIT on a “tax-effected” basis)  
2 and amortization expense of \$1.840 million included in the base revenue requirement.<sup>7</sup>

3 The Company’s proposed base revenue requirement also includes depreciation  
4 expense and property tax expense on the Summer 2 and 3 transmission plant costs in an  
5 adjustment separate from the calculations of depreciation expense on other plant costs. If  
6 the ORS depreciation rates are used to calculate depreciation expense on the Summer 2  
7 and 3 transmission costs, then Mr. Garrett’s recommendations will result in depreciation  
8 expense of \$9.015 million.

9 If the ORS depreciation rates are used to calculate depreciation expense on other  
10 plant costs, then Mr. Garrett’s recommendations will result in a reduction of \$11.703  
11 million in the depreciation expense and a reduction of \$11.703 million in accumulated  
12 depreciation compared to the Company’s calculation of annualized depreciation expense  
13 and accumulated depreciation using presently authorized depreciation rates (reflected in  
14 Adjustment #5), as updated for the actual plant in service amounts at September 30, 2020,  
15 provided by DESC in response to ORS discovery.<sup>8</sup>

16 The Company’s CCR revenue requirement reflects an asset NOL ADIT and the  
17 related NOL EDIT regulatory asset and offsetting liability ADIT in rate base and an  
18 amortization of the NOL EDIT regulatory asset. The Company has adopted certain  
19 decision rules with respect to the amortization of these amounts in the calculation of the  
20 CCR revenue requirement and made certain assumptions with respect to the amortization  
21 of these amounts in 2019 that overstated the CCR revenue requirement and incorrectly

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<sup>7</sup> The amounts cited are stated on a South Carolina retail jurisdictional basis.

<sup>8</sup> The plant in service at September 30, 2020 was reflected in ORS Adj #5, obtained from the Supplemental response to ORS Request 8-6. I have not attached a copy of that response as an exhibit due to its voluminous nature.



1 reduced the NND regulatory liability that is used to partially offset the CCR revenue  
2 requirement.

3 I recommend that the Commission memorialize certain decision rules related to the  
4 utilization of the NOL carryforward and the ADIT, NOL EDIT and offsetting liability  
5 ADIT included in rate base that have been applied by the Company since February 2019.  
6 This is necessary to ensure that the rules are consistently applied throughout the remaining  
7 term of the CCR or at least until the NOL carryforward is fully utilized.

8 I also recommend that the Commission revise the calculation of the CCR for the  
9 months February through December 2019 related to the timing of the NOL carryforward  
10 utilized and the related NOL ADIT and NOL EDIT amortizations. This recommendation  
11 has the effect of reducing the CCR revenue requirement in total for those eleven months in  
12 2019 and will reverse \$2.027 million of the NND regulatory liability amortized in 2019.<sup>9,10</sup>

13 **III. COST OF LONG-TERM DEBT IN THE BASE REVENUE REQUIREMENT**

14 **Q. DESCRIBE THE COST OF LONG-TERM DEBT INCLUDED IN THE COST OF**  
15 **CAPITAL USED FOR THE RETURN ON RATE BASE IN THE COMPANY'S**  
16 **CALCULATION OF THE BASE REVENUE REQUIREMENT.**

17 **A.** The Company proposes a 6.46% cost of long-term debt. This includes interest on  
18 the principal of the long-term debt outstanding, the amortization of losses and gains on  
19 interest rate swaps deferred as regulatory assets and regulatory liabilities, respectively, and  
20 the amortization of losses and gains on the reacquisition of debt.

<sup>9</sup> The NND regulatory liability is used to fund a portion of the CCR revenue requirement each month.

<sup>10</sup> The amount cited is stated on a South Carolina retail jurisdictional basis.

**Q. HOW DOES THE 6.46% COST OF LONG-TERM DEBT COMPARE TO THE COST OF LONG-TERM DEBT IN DOCKET NO. 2017-370-E USED IN THE RETURN ON RATE BASE ON THE ALLOWED SUMMER 2 AND 3 COSTS IN THE CCR REVENUE REQUIREMENT?**

**A.** The 6.46% is 0.90% greater than the 5.56% adopted by the Commission in Docket No. 2017-370-E based on the cost of long-term debt at that time.

**Q. WHY DID THE COST OF LONG-TERM DEBT INCREASE SINCE DOCKET NO. 2017-370-E?**

**A.** The cost of long-term debt increased since Docket No. 2017-370-E due solely to the early redemption of various issues of long-term debt that the Company implemented in two phases starting shortly after the merger closed in 2019. In February and August 2019, the Company tendered offers and subsequently redeemed \$1.8 billion of its \$5.1 billion of long-term debt prior to the maturity dates for the issues redeemed and reduced its outstanding debt to \$3.3 billion. The Company redeemed \$1,207 million in tendered bonds in February 2019 and recorded a loss on reacquired debt of \$185 million, net of a small gain.<sup>11</sup> The Company redeemed another \$644 million in tendered bonds in August 2019 and recorded an additional loss on reacquired debt of \$83 million.

These reductions in long-term debt were undertaken in order to reduce the long-term debt outstanding to more closely match the debt component of the allowed rate base costs after the Summer 2 and 3 disallowances and other related write-offs that were not recoverable for ratemaking purposes. Dominion provided additional equity investments to

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<sup>11</sup> Response to ORS Request 3-9. I have attached a copy of the narrative portion of that response as Exhibit LK-2. The financial advisor presentations attached to the response are considered confidential and are not included in Exhibit LK-2.

1 SCANA, which it invested in the Company to restore the equity investment to more closely  
2 match the equity component of the allowed rate base costs after the Summer 2 and 3  
3 disallowances and other related write-offs that were not recoverable for ratemaking  
4 purposes.<sup>12</sup>

5 **Q. DID DOMINION OR THE COMPANY DISCLOSE AN INTENT TO REDEEM**  
6 **OUTSTANDING LONG-TERM DEBT, INCUR LOSSES ON THE**  
7 **REACQUISITION OF DEBT, OR THAT THE REDEMPTIONS WOULD**  
8 **INCREASE THE COST OF LONG-TERM DEBT IN DOCKET NO. 2017-370-E?**

9 **A.** No. The Company acknowledged in response to ORS discovery in this proceeding  
10 that it had not disclosed in Docket No. 2017-370-E any intent or plans to redeem long-term  
11 debt, that this would cause losses, or that the early redemptions would increase the cost of  
12 debt in future ratemaking proceedings, all else equal.<sup>13</sup> Nevertheless, by early January  
13 2019,<sup>14</sup> the Company had retained outside financial advisors to assist in developing its  
14 redemption plan and made the decision in February 2019 to implement the early  
15 redemptions.<sup>15</sup>

16 **Q. DID THE COMPANY TARGET THE HIGHEST COUPON RATE DEBT ISSUES**  
17 **FOR REDEMPTION?**

18 **A.** No. To the contrary, it targeted lower coupon rate debt issues for redemption. In  
19 response to ORS discovery in this proceeding, the Company acknowledged that “[t]he debt  
20 targeted for repurchase was that which required the lowest premium to redeem.”<sup>16</sup> In

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<sup>12</sup> Response to ORS Request 3-7. I have attached a copy of that response as Exhibit LK-3.

<sup>13</sup> Response to ORS Request 6-4. I have attached a copy of that response as Exhibit LK-4.

<sup>14</sup> Response to ORS Request 3-9. I have attached a copy of the narrative portion of that response as Exhibit LK-2.

<sup>15</sup> Response to ORS Request 6-3. I have attached a copy of that response as Exhibit LK-5.

<sup>16</sup> Response to ORS Request 6-4. I have attached a copy of that response as Exhibit LK-4.

1 general, the lower the coupon rate, the lower the loss on the reacquired debt because the  
2 so-called “make whole” provisions are lower. The greater the coupon rate, the greater the  
3 loss on the reacquired debt because the “make whole” provisions are greater. The “make  
4 whole” provisions in the underlying debt instruments essentially require the  
5 issuer/purchaser to make the debt holder “whole,” at least in part, for the difference in the  
6 coupon rate and the market rate for similar risk and tenor debt if it tenders the debt for early  
7 redemption.

8 **Q. WHY SHOULD THE INCREASED COST OF LONG-TERM DEBT BE DEEMED**  
9 **CAUSED BY THE SUMMER 2 AND 3 DISALLOWANCES AND RELATED**  
10 **WRITEOFFS?**

11 **A.** Fundamentally, the Company’s debt was excessive due to the Summer 2 and 3  
12 disallowances and related write-offs and the inability of the Company to recover these costs  
13 through amortization expense or a return on these costs in rate base through either the CCR  
14 revenue requirement or the base revenue requirement.

15 **Q. DID THE COMMISSION ISOLATE AND LIMIT THE RECOVERY OF**  
16 **ALLOWED SUMMER 2 AND 3 CANCELLATION AND RELATED COSTS TO**  
17 **THE CCR AND LIMIT THE COMPANY’S ABILITY TO INCLUDE**  
18 **ADDITIONAL COSTS IN THE CCR?**

19 **A.** Yes. In Order No. 2018-804(A), the Commission isolated and limited the recovery  
20 of allowed Summer 2 and 3 cancellation and related costs to the CCR, stating:

21 The recovery of *all* costs associated with the Project investment will be  
22 reflected in a separate Capital Cost Rider. Hearing Ex. 169 at 4. This  
23 *segregates* the recovery of those costs from other components of SCE&G’s

1 retail electric rates. *All* tax costs or benefits associated with Project  
2 investment will flow through the Capital Cost Rider.<sup>17</sup> (emphasis added).

3 In Order No. 2018-804(A), the Commission also set the cost of long-term debt at  
4 5.56% for the CCR over its entire 20-year term, stating:

5 Plan-B Levelized provides for the resulting amount, approximately \$2.768  
6 billion (net of the related deferred taxes discussed below), to be amortized  
7 through rates over 20 years. *See* Tr. at 4217-4. That cost of capital reflects  
8 a return on equity at 9.9% (compared to the current allowed return of  
9 10.25%) and the cost of debt set at 5.56% (as recommended by ORS), which  
10 is lower than SCE&G's actual cost of debt of 5.58%. *Id.*; Tr. at 2022-12,  
11 2022-17. The capital structure for this recovery would be fixed at the pre-  
12 impairment ratios of 52.81% equity and 47.19% debt, which is a further  
13 benefit to customers. Tr. at 4217-3.<sup>18</sup>

14 These two provisions of the Order in Docket No. 2017-370-E segregate the  
15 recovery of the Summer 2 and 3 cancellation costs and ensure that no Summer 2 and 3  
16 cancellation costs will be included in the base revenue requirement and that the Company  
17 will not recover any increases in the cost of debt through the CCR.

18 In summary, the Commission's specific limitation on recovery of *all* allowed  
19 Summer 2 and 3 costs to the CCR effectively precludes the recovery of the increase in the  
20 cost of long-term debt through the base revenue requirement and the fixed cost of long-  
21 term debt in the CCR precludes the recovery of the increase in the cost of long-term debt  
22 through the CCR revenue requirement.

23 **Q. COULD THE INCREASED COST OF LONG-TERM DEBT ALSO BE**  
24 **CONSIDERED A MERGER-RELATED TRANSACTION OR TRANSITION**  
25 **COST?**

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<sup>17</sup> Order 2018-804(A) at 58.

<sup>18</sup> *Id.* at 57.

1     **A.**             Yes. The increase in the cost of debt also could be considered a merger-related  
2             transaction or transition cost necessary to complete the acquisition, comply with the terms  
3             of the acquisition approved by the regulator, and/or integrate the acquired company into  
4             the acquiring company, according to the definitions of these costs set forth in Order No.  
5             2018-804(A).

6             In addition, the Federal Energy Regulatory Commission (“FERC”) considers  
7             “financing costs to refinance existing obligations in order to achieve operational and  
8             financial synergies” as transaction costs or transition costs and does not allow the utility to  
9             recover these costs after an acquisition or merger. In fact, Mr. Keith Coffey specifically  
10            stated in an email dated January 8, 2019, providing merger accounting guidance that  
11            “[m]erger transition and integration costs should continue to be charged to the merger  
12            accounting distribution [below the line to account 426.5] under the FERC ‘hold harmless’  
13            provisions and Dominion’s commitment to the Public Service Commission of South  
14            Carolina to not include these costs in rate recovery.”<sup>19</sup> However, the Company does not  
15            consider the financing costs due to the early redemption of long-term debt to be financing  
16            costs as defined in the FERC guidance cited in Mr. Coffey’s email, according to the  
17            Company’s response to ORS discovery in this proceeding.<sup>20</sup>

18     **Q.     WHAT IS THE SIGNIFICANCE OF THE INCREASED COST OF DEBT AS A**  
19     **TRANSACTION OR TRANSITION COST.**

20     **A.**             In Order No. 2018-804(A), the Commission determined that the Company could  
21             not recover transaction or transition costs through the base revenue requirement or the CCR

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<sup>19</sup> Response to ORS Request 3-1. I have attached a copy of the narrative portion of that response as well as pdf pages 7, 11, and 12 from the attachment to that response titled “Merger Expense Coding Communications” as Exhibit LK-6.

<sup>20</sup> Response to ORS Request 6-2. I have attached a copy of that response as Exhibit LK-7.

1 revenue requirement.<sup>21</sup> The Company and its affiliates were required to record such costs  
2 “below the line,” or if the Company or an affiliate was unable to do so pursuant to generally  
3 accepted accounting principles (“GAAP”), then the Company still could not recover such  
4 costs through the base or rider revenue requirement to the extent that the costs were  
5 recorded above the line.

6 **Q. WHAT IS YOUR RECOMMENDATION?**

7 **A.** I recommend that the Commission deny the 0.90% increase in the cost of debt due  
8 to the early redemptions of long-term debt caused directly and solely by the Summer 2 and  
9 3 disallowances and related write-offs and the need to reduce the long-term debt  
10 outstanding to match the long-term debt capitalization to the debt component of allowed  
11 rate base costs included in the base and CCR revenue requirements.

12 **Q. HAVE YOU QUANTIFIED THE EFFECT OF YOUR RECOMMENDATION ON**  
13 **THE BASE REVENUE REQUIREMENT?**

14 **A.** No. However, ORS has reflected the 5.56% cost of long-term debt in its revenue  
15 requirement model based on my recommendation.

16 **IV. EDIT REFUNDS IN THE BASE REVENUE REQUIREMENT**

17 **Q. DESCRIBE THE COMPANY’S PROPOSAL TO INCLUDE THE EFFECTS OF**  
18 **THE TCJA IN THE BASE REVENUE REQUIREMENT AND TERMINATE THE**  
19 **TAX SAVINGS RIDER.**

20 **A.** The Company proposes to include all effects of the TCJA in the rate base and  
21 income tax expense included in the base revenue requirement and to terminate the Tax  
22 Rider when base rates are reset in this proceeding.<sup>22</sup> The income tax expense effects

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<sup>21</sup> Order No. 2018-804(A) at 98.

<sup>22</sup> The effects of the TCJA on the Summer 2 and 3 cancellation costs are reflected in and will remain in the CCR tariff.

1 include the reduction in the federal income tax rate to 21% from 35% on the current and  
2 deferred income tax expense and the revenue conversion factor used to calculate the  
3 revenue deficiency. The effects also include the amortization and refund of the protected  
4 and unprotected EDIT regulatory liabilities.

5 **Q. DESCRIBE THE COMPANY'S PROPOSAL TO AMORTIZE AND REFUND THE**  
6 **PROTECTED AND UNPROTECTED EDIT REGULATORY LIABILITIES.**

7 **A.** The Company proposes an amortization and refund through the base revenue  
8 requirement of the protected and unprotected EDIT regulatory liabilities over the service  
9 lives of the underlying plant assets using the ARAM. This is the same amortization and  
10 refund methodology presently reflected in the Tax Rider approved by the Commission in  
11 Docket No. 2017-370-E.

12 **Q. IS THE ARAM REQUIRED FOR PROPERTY-RELATED UNPROTECTED**  
13 **EDIT?**

14 **A.** No. The Commission has complete discretion to set the amortization and refund  
15 period for the property-related unprotected EDIT, just as it has complete discretion to set  
16 the amortization and refund period for the non-property-related unprotected EDIT.

17 **Q. WHAT IS THE AMORTIZATION PERIOD FOR THE PROPERTY-RELATED**  
18 **UNPROTECTED EDIT IF THE ARAM IS USED?**

19 **A.** The Company has determined that it is 50 years on average, according to its 2019  
20 FERC Form 1 filing.<sup>23</sup>

21 **Q. IS 50 YEARS AN APPROPRIATE AMORTIZATION PERIOD FOR THIS EDIT**  
22 **REGULATORY LIABILITY?**

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<sup>23</sup> DESC 2019 Form 1 at 123.20. I have attached a copy of that page as Exhibit LK-8.



1     A.           No. The EDIT regulatory liabilities represent the refunds necessary to repay  
2           customers who were overcharged for income taxes in prior years at the 35% federal income  
3           tax rate that was in effect before the TCJA. The *property-related unprotected* EDIT  
4           regulatory liability no longer is tied or related to the property or the lives of the property  
5           that gave rise to the underlying temporary differences either conceptually or legally. This  
6           EDIT regulatory liability now is simply a refund for taxes paid by customers in prior years  
7           that now is due to customers.

8           The federal government requires ARAM for the *property-related protected* EDIT  
9           regulatory liability, but it did so intentionally for federal budget purposes in order to delay  
10          the loss in federal tax revenues when the property-related protected EDIT regulatory  
11          liabilities are refunded. The federal government intentionally did not extend that  
12          requirement to the *property-related unprotected* EDIT regulatory liability, so there is no  
13          requirement to treat the property-related protected and unprotected EDIT regulatory  
14          liabilities in the same manner, and it is, in fact, beneficial to customers, and promotes  
15          intergenerational equity, to refund the customers their monies over a period less than 50  
16          years.

17          The focus should be on refunding the *property-related unprotected* EDIT  
18          regulatory liability to the customers who paid the excess amounts in prior years in an  
19          expedited manner, not over the longest possible amortization period as the Company  
20          proposes.

1 **Q. IF THE PROPERTY-RELATED UNPROTECTED EDIT REGULATORY**  
2 **LIABILITY IS NOT TIED TO THE UNDERLYING PROPERTY OR THE LIVES**  
3 **OF THAT PROPERTY EITHER CONCEPTUALLY OR LEGALLY, IS THERE**  
4 **ANY VALID ARGUMENT TO TREAT THE PROPERTY-RELATED**  
5 **UNPROTECTED EDIT REGULATORY LIABILITY DIFFERENTLY THAN THE**  
6 **NON-PROPERTY RELATED EDIT REGULATORY LIABILITIES?**

7 **A.** No. There is no valid argument to refund the *property-related unprotected* EDIT  
8 regulatory liability over 50 years, a period that is ten times longer than the five years used  
9 to refund the *non-property-related* EDIT regulatory liabilities.

10 **Q. HOW DOES THE 50-YEAR AMORTIZATION AND REFUND PERIOD USING**  
11 **ARAM COMPARE TO THE AMORTIZATION AND COLLECTION PERIOD**  
12 **FOR THE NOL EDIT REGULATORY ASSET RECOVERED FROM**  
13 **CUSTOMERS THROUGH THE CCR?**

14 **A.** The 50-year amortization and refund period using ARAM for the *property-related*  
15 *unprotected* EDIT regulatory liability is five times longer than the 10-year amortization  
16 and collection period for the NOL EDIT regulatory asset recovered from customers  
17 through the CCR.

18 **Q. IS IT EQUITABLE TO COLLECT A REGULATORY ASSET FOR ADDITIONAL**  
19 **INCOME TAX EXPENSE FROM CUSTOMERS FOR THE SUMMER 2 AND 3**  
20 **CANCELLATION COSTS OVER TEN YEARS, BUT REFUND THE EDIT**  
21 **REGULATORY LIABILITY FOR OTHER PROPERTY OVER 50 YEARS?**

22 **A.** No. There is no reasonable argument for this disparity.

23 **Q. WHAT IS YOUR RECOMMENDATION?**

1     **A.**             I recommend that the Commission amortize and refund the remaining unamortized  
2             property-related unprotected EDIT regulatory liability over five years starting on the date  
3             when base rates are reset in this proceeding. This recommendation will result in an eight-  
4             year actual amortization and refund period when considered in conjunction with the  
5             amortization and refunds that already have occurred in or for 2018, 2019, and 2020 based  
6             on the 50-year amortization and refund period using ARAM.

7     **Q.     WHAT IS THE EFFECT OF YOUR RECOMMENDATION ON THE BASE**  
8             **REVENUE REQUIREMENT?**

9     **A.**             The effect is a reduction in income tax expense of \$15.914 million compared to the  
10            amount included by the Company in the base revenue requirement.<sup>24</sup> I did not include an  
11            increase in rate base for the effect of shortening the amortization period for the EDIT  
12            regulatory liability in a manner similar to the Company's adjustment to accumulated  
13            depreciation for one year of depreciation expense. I did not do so to be consistent with the  
14            fact that the Company did not include an increase in rate base for one year of EDIT  
15            regulatory liability amortization expense using ARAM and did not include a reduction in  
16            rate base for one year of existing regulatory asset amortization expense.

17            **V.     SUMMER 2 AND 3 TRANSMISSION REGULATORY ASSET**

18     **Q.     DESCRIBE THE COMMISSION'S AUTHORIZATION IN DOCKET NO. 2017-**  
19            **370-E TO DEFER SUMMER 2 AND 3 TRANSMISSION OPERATING EXPENSES**  
20            **TO A REGULATORY ASSET FOR POTENTIAL RECOVERY IN THIS**  
21            **PROCEEDING.**

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<sup>24</sup>The amount cited is stated on a South Carolina retail jurisdictional basis.

1     **A.**             The Commission authorized the Company to defer “as a regulatory asset the  
2             operating and maintenance expenses, property taxes, and depreciation associated with the  
3             transmission assets referenced above for consideration of recovery in a future rate  
4             proceeding with carrying costs recorded at SCE&G incremental cost of long-term debt.”<sup>25</sup>

5     **Q.     DESCRIBE THE COMPANY’S REQUEST FOR RECOVERY OF THE**  
6     **REGULATORY ASSET IN THIS PROCEEDING.**

7     **A.**             The Company requests that the regulatory asset, net of the related ADIT, estimated  
8             at February 2022 (after consideration of the amortization expense from March 2021  
9             through February 2022) be included in rate base and that the deferral be amortized and  
10            recovered over 25 years. The Company’s request is detailed in Adjustment #24 and its  
11            supporting workpapers.<sup>26</sup>

12            The deferral consists of depreciation expense, property tax expense, and carrying  
13            costs from January 2019 through February 2021. The deferral reflects actual amounts  
14            deferred through May 2020 and the additional amounts that it estimates will be deferred  
15            from June 2020 through February 2021. The deferral of actual costs through May 2020 is  
16            \$46.001 million before offset for the related ADIT on a retail jurisdictional basis. The  
17            deferral of estimated costs from June 2020 through February 2021 adds another \$17.458  
18            million for a total request of \$63.459 million before offset for the related ADIT on a retail  
19            jurisdictional basis.

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<sup>25</sup> Order 2018-804(A), Docket No. 2017-370-E, Ordering Clause 1, at 111.

<sup>26</sup> Attachments “1-5 Pro Formas Listing” and “Attachment 1-5 PF Adj #24 Def Trans Balance” to the Company’s response to ORS Request 5-1. The amounts were later updated in the Supplemental response to ORS Request 8-6.

1 **Q. DOES ORS WITNESS MR. ANTHONY BRISENO ADDRESS THE USE OF**  
2 **ESTIMATES IN THE REGULATORY ASSETS FOR RATE BASE AND**  
3 **AMORTIZATION EXPENSE PURPOSES?**

4 **A.** Yes. Mr. Briseno recommends that the Commission limit the amount of the  
5 regulatory assets for rate base and amortization expense purposes to actual amounts and  
6 exclude estimated amounts.

7 **Q. HAVE YOU CALCULATED THE AMOUNT OF THE SUMMER 2 AND 3**  
8 **TRANSMISSION REGULATORY ASSET IF IT IS LIMITED TO THE ACTUAL**  
9 **BALANCE AT MAY 31, 2020, FOR RATE BASE AND AMORTIZATION**  
10 **EXPENSE PURPOSES?**

11 **A.** Yes. The amount included in rate base is \$33.143 million on a tax-effected basis  
12 (net of the related ADIT).<sup>27</sup> The related amortization expense is \$1.840 million on a before  
13 tax basis and \$1.381 million on an after-tax basis.<sup>28</sup>

14 **Q. IF THE COMMISSION DETERMINES THAT THERE SHOULD BE A**  
15 **DISALLOWANCE OF THE CAPITAL COSTS AND REMAINING FINANCING**  
16 **COSTS, SHOULD THERE BE A RELATED DISALLOWANCE REFLECTED IN**  
17 **THE REGULATORY ASSET INCLUDED IN RATE BASE AND THE RELATED**  
18 **AMORTIZATION EXPENSE?**

19 **A.** Yes. The Commission should reduce the regulatory asset included in rate base and  
20 the related amortization expense on a *pro rata* basis, with the percentage reduction

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<sup>27</sup> The amounts cited are stated on a South Carolina retail jurisdictional basis.

<sup>28</sup> *Id.*

1 calculated as the disallowance of the plant capital cost divided by the gross plant capital  
2 cost before the disallowance.

3 **Q. DESCRIBE THE COMPANY'S ADJUSTMENT TO INCLUDE DEPRECIATION**  
4 **EXPENSE AND PROPERTY TAX EXPENSE ON THE SUMMER 2 AND 3**  
5 **TRANSMISSION COSTS IN THE BASE REVENUE REQUIREMENT.**

6 **A.** The Company calculated the annualized depreciation expense using its proposed  
7 depreciation rates and property tax expense on the Summer 2 and 3 transmission costs in  
8 Adjustment #24.

9 **Q. HAVE YOU CALCULATED THE DEPRECIATION EXPENSE ON THE**  
10 **SUMMER 2 AND 3 TRANSMISSION COSTS USING THE ORS DEPRECIATION**  
11 **RATES?**

12 **A.** Yes. If the ORS depreciation rates are used to calculate depreciation expense on  
13 the Summer 2 and 3 transmission costs, then Mr. Garrett's recommendations will result in  
14 depreciation expense of \$9.015 million.

15 **Q. IF THE COMMISSION DISALLOWS A PORTION OF THE SUMMER 2 AND 3**  
16 **TRANSMISSION PLANT COSTS OR ANY OTHER PLANT COSTS, SHOULD IT**  
17 **ALSO ADJUST THE RELATED DEPRECIATION EXPENSE AND**  
18 **ACCUMULATED DEPRECIATION?**

19 **A.** Yes. This is necessary to ensure that the related rate base and operating expense  
20 amounts are calculated in a manner that is consistent with the allowed Summer 2 and 3  
21 transmission costs after the disallowance, if any.

**VI. DEPRECIATION EXPENSE IN THE BASE REVENUE REQUIREMENT**

**Q. DESCRIBE YOUR CALCULATION OF THE EFFECTS OF MR. GARRETT'S RECOMMENDED DEPRECIATION RATES ON THE DEPRECIATION EXPENSE INCLUDED IN THE BASE REVENUE REQUIREMENT.**

**A.** There are two effects. The first effect is the change in depreciation expense compared to the depreciation expense calculated using the presently authorized depreciation rates, which I calculated in two steps. In the first step, the Company calculated the increase in depreciation expense based on Mr. John Spanos' proposed depreciation rates, as reflected in the Company's Adjustment #6 *Depreciation Study*, as updated to reflect plant in service at September 30, 2020, provided in response to ORS discovery.<sup>29</sup> In the second step, I calculated the change in depreciation expense to reflect Mr. Garrett's depreciation rates in lieu of Mr. Spanos' depreciation rates. The ORS adjustment to depreciation expense is the sum of the calculations in these two steps.

The second effect is the related change in accumulated depreciation. The reduction in depreciation expense is also the ORS adjustment to accumulated depreciation, which is consistent with the Company's calculation of Adjustment #6 to accumulated depreciation.

**Q. WHAT ARE THE EFFECTS OF MR. GARRETT'S PROPOSED DEPRECIATION RATES?**

**A.** The effect is an \$11.703 million reduction to depreciation expense and an equivalent reduction to accumulated depreciation compared to the annualized depreciation

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<sup>29</sup> The Company's calculation of Adjustment #6 included a depreciation rate of 9.26% instead of 11.51% for plant account 370.40 *Meters – AMI*. I did not change this rate. Consequently, the ORS adjustment to reflect the effects of Mr. Garrett's recommendations includes the effect of correcting the Company's calculation to reflect its proposed 11.51% account 370.40.

1 expense based on plant in service at September 30, 2020, using the Company's presently  
2 authorized depreciation rates.<sup>30</sup>

3 **VII. NOL ADIT IN THE CAPITAL COST RIDER REVENUE REQUIREMENT**

4 **Q. DESCRIBE HOW THE NOL ADIT AND RELATED EDIT WERE INCLUDED IN**  
5 **THE PLAN B – LEVELIZED REVENUE REQUIREMENT TEMPLATE**  
6 **ADOPTED BY THE COMMISSION IN DOCKET NO. 2017-370-E TO**  
7 **CALCULATE THE CCR REVENUE REQUIREMENT?**

8 **A.** The Commission adopted the Company's proposed Plan B – Levelized ("Plan B-  
9 L") calculation template to recover the allowed Summer 2 and 3 cancellation costs for  
10 ratemaking purposes. The Company used the Plan B-L calculation template as the starting  
11 point for the CCR calculation template, although the Plan B-L template was modified from  
12 an annual calculation to a monthly calculation for the CCR.

13 The Plan B-L template and the CCR template set the initial balance of the NOL  
14 carryforward at \$1,500 million and the NOL ADIT included in the rate base at \$374  
15 million. The templates also set the initial balance of the related NOL EDIT regulatory asset  
16 included in rate base at \$266 million and the related liability ADIT on the regulatory asset  
17 subtracted from rate base at \$66 million (calculated at the 24.95% combined federal and  
18 state income tax rate), and included the amortization of the NOL EDIT regulatory asset in  
19 operating expenses. The initial balances are hypothetical amounts that reflect reductions  
20 from the per books amounts for ratemaking purposes to exclude a portion of the NOL  
21 carryforward, NOL ADIT, and NOL EDIT regulatory asset and related ADIT due to the

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<sup>30</sup> The amounts cited are stated on a South Carolina retail jurisdictional basis.



1 Summer 2 and 3 cancellation cost disallowances and the related reduction in the  
2 abandonment loss deduction.

3 In the Plan B-L calculations, Dominion assumed that the NOL ADIT and the related  
4 asset EDIT would be amortized as the NOL carryforward was utilized. The amortization  
5 was based on the ability of Dominion to utilize DESC's NOL carryforward in the  
6 calculation of its consolidated taxable income. Dominion estimated that it would be able  
7 to utilize [REDACTED] million of the NOL carryforward in 2019, [REDACTED] million in 2020, and [REDACTED]  
8 million annually thereafter until the NOL carryforward was fully utilized in 2028.

9 In the Plan B-L calculations, Dominion also assumed that the related NOL EDIT  
10 regulatory asset, net of the liability ADIT, would be amortized proportionately as the NOL  
11 carryforward was utilized. This assumption resulted in the amortization of the NOL EDIT  
12 regulatory asset over a ten-year amortization period.

13 **Q. DID THE COMPANY'S TESTIMONY OR THE PLAN B-L TEMPLATE**  
14 **DESCRIBE THE DECISION RULES THAT WOULD BE APPLIED TO THE**  
15 **AMORTIZATION OF THE NOL ADIT AND RELATED EDIT?**

16 **A.** No, except for a reference to the Section 382 limitation, which is a provision of the  
17 Internal Revenue Code that limits the ability of an acquiring company, in this case,  
18 Dominion, to utilize the NOL carryforward of an acquired company, in this case, DESC.

19 **Q. DO THE COMPANY'S CCR CALCULATIONS OF THE AMORTIZATION OF**  
20 **THE NOL ADIT AND RELATED EDIT RELY ON CERTAIN DECISION RULES?**

21 **A.** Yes. The NOL ADIT and related EDIT are hypothetical amounts. Therefore, the  
22 amortization of these amounts also are hypothetical amounts, although the Company has  
23 developed and applied certain decision rules that are based, in part, on actual utilization of

1 the NOL carryforward, at least for federal purposes, and that generally are beneficial to  
2 customers.

3 The Company described these decision rules in response to ORS discovery.<sup>31</sup> The  
4 most important of the decision rules are: 1) the utilization of the NOL carryforward is  
5 assumed to be the same for federal and state income tax purposes, even though the state  
6 rules regarding the utilization of the NOL carryforward are less favorable than the federal  
7 rules; 2) the unamortized portion of the \$1,500 million initial balance will not be increased  
8 for subsequent DESC taxable losses, such as losses due to IRS audit adjustments for prior  
9 years; 3) the unamortized portion of the \$1,500 million initial NOL carryforward balance  
10 will be reduced for subsequent Dominion Energy Southeast Services (“DESS”), DESC, or  
11 other former SCANA affiliate taxable gains, such as the sale of SCANA Energy  
12 Marketing’s assets in December 2019; and 4) the NOL carryforward in the CCR will never  
13 exceed the NOL carryforward on the Company’s accounting books.

14 **Q. SHOULD THE COMMISSON DOCUMENT AND ADOPT THESE DECISION**  
15 **RULES?**

16 **A.** Yes. This will ensure that the decision rules will be applied consistently throughout  
17 the term of the CCR, or at least until the NOL carryforward is fully utilized and the NOL  
18 ADIT and NOL EDIT are fully amortized.

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<sup>31</sup> Responses to ORS Requests 3-14, 5-2, 5-3, 5-4, and 6-6. I have attached copies of those responses as Exhibit LK-9.

1 **Q. DESCRIBE HOW THE COMPANY REFLECTED THE UTILIZATION OF THE**  
2 **NOL CARRYFORWARD IN 2019 AND CONTRAST THAT TO THE**  
3 **UTILIZATION IN 2020 IN THE CALCULATIONS OF THE CCR REVENUE**  
4 **REQUIREMENTS.**

5 **A.** The CCR was effective starting in February 2019. The CCR rate base includes the  
6 asset NOL ADIT, asset NOL EDIT, and the liability NOL ADIT related to the NOL EDIT.  
7 The CCR revenue requirements include the return on these rate base amounts and the  
8 amortization of the NOL EDIT. As the NOL carryforward is utilized, the asset NOL ADIT,  
9 asset NOL EDIT, and the liability NOL ADIT related to the NOL EDIT included in rate  
10 base decline and the revenue requirement related to these rate base components declines,  
11 and will decline to \$0 when the NOL carryforward is fully utilized. In addition, as the  
12 NOL carryforward is utilized, the NOL EDIT is amortized and included in the revenue  
13 requirement until the NOL carryforward is fully utilized.

14 The Company's CCR tariff calculations reflected the annual NOL utilized in 2019  
15 amortized equally over the three months of October 2019 through December 2019. The  
16 annual NOL utilized was the maximum that Dominion could utilize based on the Section  
17 382 limitations. Consequently, the asset NOL ADIT, asset NOL EDIT, and liability NOL  
18 ADIT related to the NOL EDIT remained unchanged from the initial balances, but declined  
19 from October 2019 through December 2019 in these calculations. The Company also  
20 reflected the additional NOL utilized in 2019 to offset the taxable income from the taxable  
21 gain on the sale of SCANA Energy Marketing, Inc.'s assets in December 2019, the same  
22 month that the sale closed and the gain was realized.

In contrast to the Company's 2019 calculations and the amortization of the annual NOL carryforward utilized in the final three months of 2019, the Company's 2020 calculations reflect the amortization of the annual of the annual NOL carryforward utilized equally over each of the twelve months in 2020.

**Q. ARE THE COMPANY'S CALCULATIONS WHEREIN IT REFLECTS THE ANNUAL NOL UTILIZATION IN THE FINAL THREE MONTHS OF THE YEAR CORRECT?**

**A.** No. The Company should have allocated annual NOL utilization in 2019 equally to each of the eleven months from February through December 2019 in the same manner that it has reflected the annual NOL utilized in 2020 equally over each of the twelve months from January through December 2020.

The amount of the NOL utilization available to the DESC is determined on an annual basis by Dominion based on its estimated consolidated taxable income. Under the Internal Revenue Code, Dominion is required to estimate its consolidated taxable income for the tax year, including the use of NOLs from its subsidiaries to determine its quarterly estimated tax payment to the IRS due on March 15, 2019. In other words, Dominion knew or should have known that it would utilize the maximum amount of the NOL carryforward by February 2019 when the CCR tariff became effective.

**Q. WHAT IS THE EFFECT OF THIS ERROR AND HOW SHOULD IT BE CORRECTED?**

**A.** The error incorrectly increased the CCR revenue requirement in 2019 by \$2.027 million. As a result of this error, the Company incorrectly amortized and reduced the NND regulatory liability used to partially offset the CCR revenue requirement and reduce the

1 amount charged to customers by the same amount. The greater the NND regulatory  
2 liability, the earlier the recovery of the allowed Summer 2 and 3 costs through the CCR  
3 will be completed.

4 The Commission should direct the Company to correct the calculation and restore  
5 \$2.027 million to the NND regulatory liability.<sup>32</sup> This will not have an immediate effect  
6 on the CCR rates; however, it will shorten the duration of the CCR, all else equal.

7 **Q. WILL YOU UPDATE YOUR DIRECT TESTIMONY BASED ON INFORMATION**  
8 **THAT BECOMES AVAILABLE?**

9 **A.** Yes. ORS fully reserves the right to revise its recommendations via supplemental  
10 testimony should new information not previously provided by the Company, or other  
11 sources, becomes available.

12 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

13 **A.** Yes.

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<sup>32</sup> The amount cited is stated on a South Carolina retail jurisdictional basis.

**RESUME OF LANE KOLLEN, VICE PRESIDENT**

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**EDUCATION**

**University of Toledo, BBA**  
Accounting

**University of Toledo, MBA**

**Luther Rice University, MA**

**PROFESSIONAL CERTIFICATIONS**

**Certified Public Accountant (CPA)**

**Certified Management Accountant (CMA)**

**PROFESSIONAL AFFILIATIONS**

**American Institute of Certified Public Accountants**

**Georgia Society of Certified Public Accountants**

**Institute of Management Accountants**

**Society of Depreciation Professionals**

Mr. Kollen has more than forty years of utility industry experience in the financial, rate, tax, and planning areas. He specializes in revenue requirements analyses, taxes, evaluation of rate and financial impacts of traditional and nontraditional ratemaking, utility mergers/acquisition and diversification. Mr. Kollen has expertise in proprietary and nonproprietary software systems used by utilities for budgeting, rate case support and strategic and financial planning.

## RESUME OF LANE KOLLEN, VICE PRESIDENT

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### EXPERIENCE

1986 to

Present:

**J. Kennedy and Associates, Inc.:** Vice President and Principal. Responsible for utility stranded cost analysis, revenue requirements analysis, cash flow projections and solvency, financial and cash effects of traditional and nontraditional ratemaking, and research, speaking and writing on the effects of tax law changes. Testimony before Connecticut, Florida, Georgia, Indiana, Louisiana, Kentucky, Maine, Maryland, Minnesota, New York, North Carolina, Ohio, Pennsylvania, Tennessee, Texas, West Virginia and Wisconsin state regulatory commissions and the Federal Energy Regulatory Commission.

1983 to

1986:

**Energy Management Associates:** Lead Consultant.

Consulting in the areas of strategic and financial planning, traditional and nontraditional ratemaking, rate case support and testimony, diversification and generation expansion planning. Directed consulting and software development projects utilizing PROSCREEN II and ACUMEN proprietary software products. Utilized ACUMEN detailed corporate simulation system, PROSCREEN II strategic planning system and other custom developed software to support utility rate case filings including test year revenue requirements, rate base, operating income and pro-forma adjustments. Also utilized these software products for revenue simulation, budget preparation and cost-of-service analyses.

1976 to

1983:

**The Toledo Edison Company:** Planning Supervisor.

Responsible for financial planning activities including generation expansion planning, capital and expense budgeting, evaluation of tax law changes, rate case strategy and support and computerized financial modeling using proprietary and nonproprietary software products. Directed the modeling and evaluation of planning alternatives including:

Rate phase-ins.

Construction project cancellations and write-offs.

Construction project delays.

Capacity swaps.

Financing alternatives.

Competitive pricing for off-system sales.

Sale/leasebacks.

**RESUME OF LANE KOLLEN, VICE PRESIDENT**

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**CLIENTS SERVED**

**Industrial Companies and Groups**

Air Products and Chemicals, Inc.	Lehigh Valley Power Committee
Airco Industrial Gases	Maryland Industrial Group
Alcan Aluminum	Multiple Intervenors (New York)
Armco Advanced Materials Co.	National Southwire
Armco Steel	North Carolina Industrial
Bethlehem Steel	Energy Consumers
CF&I Steel, L.P.	Occidental Chemical Corporation
Climax Molybdenum Company	Ohio Energy Group
Connecticut Industrial Energy Consumers	Ohio Industrial Energy Consumers
ELCON	Ohio Manufacturers Association
Enron Gas Pipeline Company	Philadelphia Area Industrial Energy
Florida Industrial Power Users Group	Users Group
Gallatin Steel	PSI Industrial Group
General Electric Company	Smith Cogeneration
GPU Industrial Intervenors	Taconite Intervenors (Minnesota)
Indiana Industrial Group	West Penn Power Industrial Intervenors
Industrial Consumers for	West Virginia Energy Users Group
Fair Utility Rates - Indiana	Westvaco Corporation
Industrial Energy Consumers - Ohio	
Kentucky Industrial Utility Customers, Inc.	
Kimberly-Clark Company	

**Regulatory Commissions and**  
**Government Agencies**

Cities in Texas-New Mexico Power Company's Service Territory  
Cities in AEP Texas Central Company's Service Territory  
Cities in AEP Texas North Company's Service Territory  
Georgia Public Service Commission Staff  
Kentucky Attorney General's Office, Division of Consumer Protection  
Louisiana Public Service Commission Staff  
Maine Office of Public Advocate  
New York State Energy Office  
Office of Public Utility Counsel (Texas)



RESUME OF LANE KOLLEN, VICE PRESIDENT

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Utilities

Allegheny Power System  
Atlantic City Electric Company  
Carolina Power & Light Company  
Cleveland Electric Illuminating Company  
Delmarva Power & Light Company  
Duquesne Light Company  
General Public Utilities  
Georgia Power Company  
Middle South Services  
Nevada Power Company  
Niagara Mohawk Power Corporation

Otter Tail Power Company  
Pacific Gas & Electric Company  
Public Service Electric & Gas  
Public Service of Oklahoma  
Rochester Gas and Electric  
Savannah Electric & Power Company  
Seminole Electric Cooperative  
Southern California Edison  
Talquin Electric Cooperative  
Tampa Electric  
Texas Utilities  
Toledo Edison Company

**Expert Testimony Appearances  
of  
Lane Kollen  
As of October 2020**

<b>Date</b>	<b>Case</b>	<b>Jurisdic.</b>	<b>Party</b>	<b>Utility</b>	<b>Subject</b>
10/86	U-17282 Interim	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Cash revenue requirements financial solvency.
11/86	U-17282 Interim Rebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Cash revenue requirements financial solvency.
12/86	9613	KY	Attorney General Div. of Consumer Protection	Big Rivers Electric Corp.	Revenue requirements accounting adjustments financial workout plan.
1/87	U-17282 Interim	LA 19th Judicial District Ct.	Louisiana Public Service Commission Staff	Gulf States Utilities	Cash revenue requirements, financial solvency.
3/87	General Order 236	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Tax Reform Act of 1986.
4/87	U-17282 Prudence	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Prudence of River Bend 1, economic analyses, cancellation studies.
4/87	M-100 Sub 113	NC	North Carolina Industrial Energy Consumers	Duke Power Co.	Tax Reform Act of 1986.
5/87	86-524-E-SC	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Revenue requirements, Tax Reform Act of 1986.
5/87	U-17282 Case In Chief	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, River Bend 1 phase-in plan, financial solvency.
7/87	U-17282 Case In Chief Surrebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, River Bend 1 phase-in plan, financial solvency.
7/87	U-17282 Prudence Surrebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Prudence of River Bend 1, economic analyses, cancellation studies.
7/87	86-524 E-SC Rebuttal	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Revenue requirements, Tax Reform Act of 1986.
8/87	9885	KY	Attorney General Div. of Consumer Protection	Big Rivers Electric Corp.	Financial workout plan.
8/87	E-015/GR-87-223	MN	Taconite Intervenor	Minnesota Power & Light Co.	Revenue requirements, O&M expense, Tax Reform Act of 1986.
10/87	870220-EI	FL	Occidental Chemical Corp.	Florida Power Corp.	Revenue requirements, O&M expense, Tax Reform Act of 1986.
11/87	87-07-01	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co.	Tax Reform Act of 1986.
1/88	U-17282	LA 19th Judicial District Ct.	Louisiana Public Service Commission	Gulf States Utilities	Revenue requirements, River Bend 1 phase-in plan, rate of return.
2/88	9934	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Co.	Economics of Trimble County, completion.
2/88	10064	KY	Kentucky Industrial Utility	Louisville Gas &	Revenue requirements, O&M expense, capital

**Expert Testimony Appearances  
of  
Lane Kollen  
As of October 2020**

<b>Date</b>	<b>Case</b>	<b>Jurisdic.</b>	<b>Party</b>	<b>Utility</b>	<b>Subject</b>
			Customers	Electric Co.	structure, excess deferred income taxes.
5/88	10217	KY	Alcan Aluminum National Southwire	Big Rivers Electric Corp.	Financial workout plan.
5/88	M-87017-1C001	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Nonutility generator deferred cost recovery.
5/88	M-87017-2C005	PA	GPU Industrial Intervenors	Pennsylvania Electric Co.	Nonutility generator deferred cost recovery.
6/88	U-17282	LA 19th Judicial District Ct.	Louisiana Public Service Commission	Gulf States Utilities	Prudence of River Bend 1 economic analyses, cancellation studies, financial modeling.
7/88	M-87017-1C001 Rebuttal	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Nonutility generator deferred cost recovery, SFAS No. 92.
7/88	M-87017-2C005 Rebuttal	PA	GPU Industrial Intervenors	Pennsylvania Electric Co.	Nonutility generator deferred cost recovery, SFAS No. 92.
9/88	88-05-25	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co.	Excess deferred taxes, O&M expenses.
9/88	10064 Rehearing	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Co.	Premature retirements, interest expense.
10/88	88-170-EL-AIR	OH	Ohio Industrial Energy Consumers	Cleveland Electric Illuminating Co.	Revenue requirements, phase-in, excess deferred taxes, O&M expenses, financial considerations, working capital.
10/88	88-171-EL-AIR	OH	Ohio Industrial Energy Consumers	Toledo Edison Co.	Revenue requirements, phase-in, excess deferred taxes, O&M expenses, financial considerations, working capital.
10/88	8800-355-EI	FL	Florida Industrial Power Users' Group	Florida Power & Light Co.	Tax Reform Act of 1986, tax expenses, O&M expenses, pension expense (SFAS No. 87).
10/88	3780-U	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Co.	Pension expense (SFAS No. 87).
11/88	U-17282 Remand	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Rate base exclusion plan (SFAS No. 71).
12/88	U-17970	LA	Louisiana Public Service Commission Staff	AT&T Communications of South Central States	Pension expense (SFAS No. 87).
12/88	U-17949 Rebuttal	LA	Louisiana Public Service Commission Staff	South Central Bell	Compensated absences (SFAS No. 43), pension expense (SFAS No. 87), Part 32, income tax normalization.
2/89	U-17282 Phase II	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, phase-in of River Bend 1, recovery of canceled plant.
6/89	881602-EU 890326-EU	FL	Talquin Electric Cooperative	Talquin/City of Tallahassee	Economic analyses, incremental cost-of-service, average customer rates.

**Expert Testimony Appearances  
of  
Lane Kollen  
As of October 2020**

Date	Case	Jurisdic.	Party	Utility	Subject
7/89	U-17970	LA	Louisiana Public Service Commission Staff	AT&T Communications of South Central States	Pension expense (SFAS No. 87), compensated absences (SFAS No. 43), Part 32.
8/89	8555	TX	Occidental Chemical Corp.	Houston Lighting & Power Co.	Cancellation cost recovery, tax expense, revenue requirements.
8/89	3840-U	GA	Georgia Public Service Commission Staff	Georgia Power Co.	Promotional practices, advertising, economic development.
9/89	U-17282 Phase II Detailed	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, detailed investigation.
10/89	8880	TX	Enron Gas Pipeline	Texas-New Mexico Power Co.	Deferred accounting treatment, sale/leaseback.
10/89	8928	TX	Enron Gas Pipeline	Texas-New Mexico Power Co.	Revenue requirements, imputed capital structure, cash working capital.
10/89	R-891364	PA	Philadelphia Area Industrial Energy Users Group	Philadelphia Electric Co.	Revenue requirements.
11/89 12/89	R-891364 Surrebuttal (2 Filings)	PA	Philadelphia Area Industrial Energy Users Group	Philadelphia Electric Co.	Revenue requirements, sale/leaseback.
1/90	U-17282 Phase II Detailed Rebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, detailed investigation.
1/90	U-17282 Phase III	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Phase-in of River Bend 1, deregulated asset plan.
3/90	890319-EI	FL	Florida Industrial Power Users Group	Florida Power & Light Co.	O&M expenses, Tax Reform Act of 1986.
4/90	890319-EI Rebuttal	FL	Florida Industrial Power Users Group	Florida Power & Light Co.	O&M expenses, Tax Reform Act of 1986.
4/90	U-17282	LA 19 <sup>th</sup> Judicial District Ct.	Louisiana Public Service Commission	Gulf States Utilities	Fuel clause, gain on sale of utility assets.
9/90	90-158	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Co.	Revenue requirements, post-test year additions, forecasted test year.
12/90	U-17282 Phase IV	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements.
3/91	29327, et. al.	NY	Multiple Intervenor	Niagara Mohawk Power Corp.	Incentive regulation.
5/91	9945	TX	Office of Public Utility Counsel of Texas	El Paso Electric Co.	Financial modeling, economic analyses, prudence of Palo Verde 3.

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9/91	P-910511 P-910512	PA	Allegheny Ludlum Corp., Armco Advanced Materials Co., The West Penn Power Industrial Users' Group	West Penn Power Co.	Recovery of CAAA costs, least cost financing.
9/91	91-231-E-NC	WV	West Virginia Energy Users Group	Monongahela Power Co.	Recovery of CAAA costs, least cost financing.
11/91	U-17282	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Asset impairment, deregulated asset plan, revenue requirements.
12/91	91-410-EL-AIR	OH	Air Products and Chemicals, Inc., Armco Steel Co., General Electric Co., Industrial Energy Consumers	Cincinnati Gas & Electric Co.	Revenue requirements, phase-in plan.
12/91	PUC Docket 10200	TX	Office of Public Utility Counsel of Texas	Texas-New Mexico Power Co.	Financial integrity, strategic planning, declined business affiliations.
5/92	910890-EI	FL	Occidental Chemical Corp.	Florida Power Corp.	Revenue requirements, O&M expense, pension expense, OPEB expense, fossil dismantling, nuclear decommissioning.
8/92	R-00922314	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Incentive regulation, performance rewards, purchased power risk, OPEB expense.
9/92	92-043	KY	Kentucky Industrial Utility Consumers	Generic Proceeding	OPEB expense.
9/92	920324-EI	FL	Florida Industrial Power Users' Group	Tampa Electric Co.	OPEB expense.
9/92	39348	IN	Indiana Industrial Group	Generic Proceeding	OPEB expense.
9/92	910840-PU	FL	Florida Industrial Power Users' Group	Generic Proceeding	OPEB expense.
9/92	39314	IN	Industrial Consumers for Fair Utility Rates	Indiana Michigan Power Co.	OPEB expense.
11/92	U-19904	LA	Louisiana Public Service Commission Staff	Gulf States Utilities /Entergy Corp.	Merger.
11/92	8469	MD	Westvaco Corp., Eastalco Aluminum Co.	Potomac Edison Co.	OPEB expense.
11/92	92-1715-AU-COI	OH	Ohio Manufacturers Association	Generic Proceeding	OPEB expense.
12/92	R-00922378	PA	Armco Advanced Materials Co., The WPP Industrial Intervenors	West Penn Power Co.	Incentive regulation, performance rewards, purchased power risk, OPEB expense.
12/92	U-19949	LA	Louisiana Public Service Commission Staff	South Central Bell	Affiliate transactions, cost allocations, merger.

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12/92	R-00922479	PA	Philadelphia Area Industrial Energy Users' Group	Philadelphia Electric Co.	OPEB expense.
1/93	8487	MD	Maryland Industrial Group	Baltimore Gas & Electric Co., Bethlehem Steel Corp.	OPEB expense, deferred fuel, CWIP in rate base.
1/93	39498	IN	PSI Industrial Group	PSI Energy, Inc.	Refunds due to over-collection of taxes on Marble Hill cancellation.
3/93	92-11-11	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co	OPEB expense.
3/93	U-19904 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities /Entergy Corp.	Merger.
3/93	93-01-EL-EFC	OH	Ohio Industrial Energy Consumers	Ohio Power Co.	Affiliate transactions, fuel.
3/93	EC92-21000 ER92-806-000	FERC	Louisiana Public Service Commission Staff	Gulf States Utilities /Entergy Corp.	Merger.
4/93	92-1464-EL-AIR	OH	Air Products Armco Steel Industrial Energy Consumers	Cincinnati Gas & Electric Co.	Revenue requirements, phase-in plan.
4/93	EC92-21000 ER92-806-000 (Rebuttal)	FERC	Louisiana Public Service Commission	Gulf States Utilities /Entergy Corp.	Merger.
9/93	93-113	KY	Kentucky Industrial Utility Customers	Kentucky Utilities	Fuel clause and coal contract refund.
9/93	92-490, 92-490A, 90-360-C	KY	Kentucky Industrial Utility Customers and Kentucky Attorney General	Big Rivers Electric Corp.	Disallowances and restitution for excessive fuel costs, illegal and improper payments, recovery of mine closure costs.
10/93	U-17735	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	Revenue requirements, debt restructuring agreement, River Bend cost recovery.
1/94	U-20647	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Audit and investigation into fuel clause costs.
4/94	U-20647 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Nuclear and fossil unit performance, fuel costs, fuel clause principles and guidelines.
4/94	U-20647 (Supplemental Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Audit and investigation into fuel clause costs.
5/94	U-20178	LA	Louisiana Public Service Commission Staff	Louisiana Power & Light Co.	Planning and quantification issues of least cost integrated resource plan.
9/94	U-19904 Initial Post-Merger Earnings Review	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	River Bend phase-in plan, deregulated asset plan, capital structure, other revenue requirement issues.

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9/94	U-17735	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	G&T cooperative ratemaking policies, exclusion of River Bend, other revenue requirement issues.
10/94	3905-U	GA	Georgia Public Service Commission Staff	Southern Bell Telephone Co.	Incentive rate plan, earnings review.
10/94	5258-U	GA	Georgia Public Service Commission Staff	Southern Bell Telephone Co.	Alternative regulation, cost allocation.
11/94	U-19904 Initial Post-Merger Earnings Review (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	River Bend phase-in plan, deregulated asset plan, capital structure, other revenue requirement issues.
11/94	U-17735 (Rebuttal)	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	G&T cooperative ratemaking policy, exclusion of River Bend, other revenue requirement issues.
4/95	R-00943271	PA	PP&L Industrial Customer Alliance	Pennsylvania Power & Light Co.	Revenue requirements. Fossil dismantling, nuclear decommissioning.
6/95	3905-U Rebuttal	GA	Georgia Public Service Commission	Southern Bell Telephone Co.	Incentive regulation, affiliate transactions, revenue requirements, rate refund.
6/95	U-19904 (Direct)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Gas, coal, nuclear fuel costs, contract prudence, base/fuel realignment.
10/95	95-02614	TN	Tennessee Office of the Attorney General Consumer Advocate	BellSouth Telecommunications, Inc.	Affiliate transactions.
10/95	U-21485 (Direct)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Nuclear O&M, River Bend phase-in plan, base/fuel realignment, NOL and AltMin asset deferred taxes, other revenue requirement issues.
11/95	U-19904 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co. Division	Gas, coal, nuclear fuel costs, contract prudence, base/fuel realignment.
11/95	U-21485 (Supplemental Direct)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Nuclear O&M, River Bend phase-in plan, base/fuel realignment, NOL and AltMin asset deferred taxes, other revenue requirement issues.
12/95	U-21485 (Surrebuttal)				
1/96	95-299-EL-AIR 95-300-EL-AIR	OH	Industrial Energy Consumers	The Toledo Edison Co., The Cleveland Electric Illuminating Co.	Competition, asset write-offs and revaluation, O&M expense, other revenue requirement issues.
2/96	PUC Docket 14965	TX	Office of Public Utility Counsel	Central Power & Light	Nuclear decommissioning.
5/96	95-485-LCS	NM	City of Las Cruces	El Paso Electric Co.	Stranded cost recovery, municipalization.
7/96	8725	MD	The Maryland Industrial Group and Redland Genstar, Inc.	Baltimore Gas & Electric Co., Potomac Electric Power Co., and Constellation Energy Corp.	Merger savings, tracking mechanism, earnings sharing plan, revenue requirement issues.

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9/96 11/96	U-22092 U-22092 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	River Bend phase-in plan, base/fuel realignment, NOL and AltMin asset deferred taxes, other revenue requirement issues, allocation of regulated/nonregulated costs.
10/96	96-327	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Environmental surcharge recoverable costs.
2/97	R-00973877	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Stranded cost recovery, regulatory assets and liabilities, intangible transition charge, revenue requirements.
3/97	96-489	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	Environmental surcharge recoverable costs, system agreements, allowance inventory, jurisdictional allocation.
6/97	TO-97-397	MO	MCI Telecommunications Corp., Inc., MCImetro Access Transmission Services, Inc.	Southwestern Bell Telephone Co.	Price cap regulation, revenue requirements, rate of return.
6/97	R-00973953	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
7/97	R-00973954	PA	PP&L Industrial Customer Alliance	Pennsylvania Power & Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
7/97	U-22092	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Depreciation rates and methodologies, River Bend phase-in plan.
8/97	97-300	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co., Kentucky Utilities Co.	Merger policy, cost savings, surcredit sharing mechanism, revenue requirements, rate of return.
8/97	R-00973954 (Surrebuttal)	PA	PP&L Industrial Customer Alliance	Pennsylvania Power & Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
10/97	97-204	KY	Alcan Aluminum Corp. Southwire Co.	Big Rivers Electric Corp.	Restructuring, revenue requirements, reasonableness.
10/97	R-974008	PA	Metropolitan Edison Industrial Users Group	Metropolitan Edison Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements.
10/97	R-974009	PA	Penelec Industrial Customer Alliance	Pennsylvania Electric Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements.
11/97	97-204 (Rebuttal)	KY	Alcan Aluminum Corp. Southwire Co.	Big Rivers Electric Corp.	Restructuring, revenue requirements, reasonableness of rates, cost allocation.
11/97	U-22491	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, other revenue requirement issues.



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11/97	R-00973953 (Surrebuttal)	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
11/97	R-973981	PA	West Penn Power Industrial Intervenors	West Penn Power Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, fossil decommissioning, revenue requirements, securitization.
11/97	R-974104	PA	Duquesne Industrial Intervenors	Duquesne Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements, securitization.
12/97	R-973981 (Surrebuttal)	PA	West Penn Power Industrial Intervenors	West Penn Power Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, fossil decommissioning, revenue requirements.
12/97	R-974104 (Surrebuttal)	PA	Duquesne Industrial Intervenors	Duquesne Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements, securitization.
1/98	U-22491 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, other revenue requirement issues.
2/98	8774	MD	Westvaco	Potomac Edison Co.	Merger of Duquesne, AE, customer safeguards, savings sharing.
3/98	U-22092 (Allocated Stranded Cost Issues)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Restructuring, stranded costs, regulatory assets, securitization, regulatory mitigation.
3/98	8390-U	GA	Georgia Natural Gas Group, Georgia Textile Manufacturers Assoc.	Atlanta Gas Light Co.	Restructuring, unbundling, stranded costs, incentive regulation, revenue requirements.
3/98	U-22092 (Allocated Stranded Cost Issues) (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Restructuring, stranded costs, regulatory assets, securitization, regulatory mitigation.
3/98	U-22491 (Supplemental Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, other revenue requirement issues.
10/98	97-596	ME	Maine Office of the Public Advocate	Bangor Hydro- Electric Co.	Restructuring, unbundling, stranded costs, T&D revenue requirements.
10/98	9355-U	GA	Georgia Public Service Commission Adversary Staff	Georgia Power Co.	Affiliate transactions.
10/98	U-17735 Rebuttal	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	G&T cooperative ratemaking policy, other revenue requirement issues.

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11/98	U-23327	LA	Louisiana Public Service Commission Staff	SWEPCO, CSW and AEP	Merger policy, savings sharing mechanism, affiliate transaction conditions.
12/98	U-23358 (Direct)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.
12/98	98-577	ME	Maine Office of Public Advocate	Maine Public Service Co.	Restructuring, unbundling, stranded cost, T&D revenue requirements.
1/99	98-10-07	CT	Connecticut Industrial Energy Consumers	United Illuminating Co.	Stranded costs, investment tax credits, accumulated deferred income taxes, excess deferred income taxes.
3/99	U-23358 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.
3/99	98-474	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements, alternative forms of regulation.
3/99	98-426	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements, alternative forms of regulation.
3/99	99-082	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements.
3/99	99-083	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements.
4/99	U-23358 (Supplemental Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.
4/99	99-03-04	CT	Connecticut Industrial Energy Consumers	United Illuminating Co.	Regulatory assets and liabilities, stranded costs, recovery mechanisms.
4/99	99-02-05	CT	Connecticut Industrial Utility Customers	Connecticut Light and Power Co.	Regulatory assets and liabilities, stranded costs, recovery mechanisms.
5/99	98-426 99-082 (Additional Direct)	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements.
5/99	98-474 99-083 (Additional Direct)	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements.
5/99	98-426 98-474 (Response to Amended Applications)	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co., Kentucky Utilities Co.	Alternative regulation.
6/99	97-596	ME	Maine Office of Public Advocate	Bangor Hydro-Electric Co.	Request for accounting order regarding electric industry restructuring costs.
7/99	U-23358	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Affiliate transactions, cost allocations.

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7/99	99-03-35	CT	Connecticut Industrial Energy Consumers	United Illuminating Co.	Stranded costs, regulatory assets, tax effects of asset divestiture.
7/99	U-23327	LA	Louisiana Public Service Commission Staff	Southwestern Electric Power Co., Central and South West Corp, American Electric Power Co.	Merger Settlement and Stipulation.
7/99	97-596 Surrebuttal	ME	Maine Office of Public Advocate	Bangor Hydro-Electric Co.	Restructuring, unbundling, stranded cost, T&D revenue requirements.
7/99	98-0452-E-GI	WV	West Virginia Energy Users Group	Monongahela Power, Potomac Edison, Appalachian Power, Wheeling Power	Regulatory assets and liabilities.
8/99	98-577 Surrebuttal	ME	Maine Office of Public Advocate	Maine Public Service Co.	Restructuring, unbundling, stranded costs, T&D revenue requirements.
8/99	98-426 99-082 Rebuttal	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements.
8/99	98-474 98-083 Rebuttal	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements.
8/99	98-0452-E-GI Rebuttal	WV	West Virginia Energy Users Group	Monongahela Power, Potomac Edison, Appalachian Power, Wheeling Power	Regulatory assets and liabilities.
10/99	U-24182 Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, affiliate transactions, tax issues, and other revenue requirement issues.
11/99	PUC Docket 21527	TX	The Dallas-Fort Worth Hospital Council and Coalition of Independent Colleges and Universities	TXU Electric	Restructuring, stranded costs, taxes, securitization.
11/99	U-23358 Surrebuttal Affiliate Transactions Review	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Service company affiliate transaction costs.
01/00	U-24182 Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, affiliate transactions, tax issues, and other revenue requirement issues.
04/00	99-1212-EL-ETP 99-1213-EL-ATA 99-1214-EL-AAM	OH	Greater Cleveland Growth Association	First Energy (Cleveland Electric Illuminating, Toledo Edison)	Historical review, stranded costs, regulatory assets, liabilities.

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05/00	2000-107	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	ECR surcharge roll-in to base rates.
05/00	U-24182 Supplemental Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Affiliate expense proforma adjustments.
05/00	A-110550F0147	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy	Merger between PECO and Unicom.
05/00	99-1658-EL-ETP	OH	AK Steel Corp.	Cincinnati Gas & Electric Co.	Regulatory transition costs, including regulatory assets and liabilities, SFAS 109, ADIT, EDIT, ITC.
07/00	PUC Docket 22344	TX	The Dallas-Fort Worth Hospital Council and The Coalition of Independent Colleges and Universities	Statewide Generic Proceeding	Escalation of O&M expenses for unbundled T&D revenue requirements in projected test year.
07/00	U-21453	LA	Louisiana Public Service Commission	SWEPCO	Stranded costs, regulatory assets and liabilities.
08/00	U-24064	LA	Louisiana Public Service Commission Staff	CLECO	Affiliate transaction pricing ratemaking principles, subsidization of nonregulated affiliates, ratemaking adjustments.
10/00	SOAH Docket 473-00-1015 PUC Docket 22350	TX	The Dallas-Fort Worth Hospital Council and The Coalition of Independent Colleges and Universities	TXU Electric Co.	Restructuring, T&D revenue requirements, mitigation, regulatory assets and liabilities.
10/00	R-00974104 Affidavit	PA	Duquesne Industrial Intervenor	Duquesne Light Co.	Final accounting for stranded costs, including treatment of auction proceeds, taxes, capital costs, switchback costs, and excess pension funding.
11/00	P-00001837 R-00974008 P-00001838 R-00974009	PA	Metropolitan Edison Industrial Users Group Penelec Industrial Customer Alliance	Metropolitan Edison Co., Pennsylvania Electric Co.	Final accounting for stranded costs, including treatment of auction proceeds, taxes, regulatory assets and liabilities, transaction costs.
12/00	U-21453, U-20925, U-22092 (Subdocket C) Surrebuttal	LA	Louisiana Public Service Commission Staff	SWEPCO	Stranded costs, regulatory assets.
01/01	U-24993 Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.
01/01	U-21453, U-20925, U-22092 (Subdocket B) Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Industry restructuring, business separation plan, organization structure, hold harmless conditions, financing.
01/01	Case No. 2000-386	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co.	Recovery of environmental costs, surcharge mechanism.

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01/01	Case No. 2000-439	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Recovery of environmental costs, surcharge mechanism.
02/01	A-110300F0095 A-110400F0040	PA	Met-Ed Industrial Users Group, Penelec Industrial Customer Alliance	GPU, Inc. FirstEnergy Corp.	Merger, savings, reliability.
03/01	P-00001860 P-00001861	PA	Met-Ed Industrial Users Group, Penelec Industrial Customer Alliance	Metropolitan Edison Co., Pennsylvania Electric Co.	Recovery of costs due to provider of last resort obligation.
04/01	U-21453, U-20925, U-22092 (Subdocket B) Settlement Term Sheet	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Business separation plan: settlement agreement on overall plan structure.
04/01	U-21453, U-20925, U-22092 (Subdocket B) Contested Issues	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Business separation plan: agreements, hold harmless conditions, separations methodology.
05/01	U-21453, U-20925, U-22092 (Subdocket B) Contested Issues Transmission and Distribution Rebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Business separation plan: agreements, hold harmless conditions, separations methodology.
07/01	U-21453, U-20925, U-22092 (Subdocket B) Transmission and Distribution Term Sheet	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Business separation plan: settlement agreement on T&D issues, agreements necessary to implement T&D separations, hold harmless conditions, separations methodology.
10/01	14000-U	GA	Georgia Public Service Commission Adversary Staff	Georgia Power Company	Revenue requirements, Rate Plan, fuel clause recovery.
11/01	14311-U Direct Panel with Bolin Killings	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co	Revenue requirements, revenue forecast, O&M expense, depreciation, plant additions, cash working capital.
11/01	U-25687 Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, capital structure, allocation of regulated and nonregulated costs, River Bend uprate.
02/02	PUC Docket 25230	TX	The Dallas-Fort Worth Hospital Council and the Coalition of Independent Colleges and Universities	TXU Electric	Stipulation. Regulatory assets, securitization financing.

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Date	Case	Jurisdic.	Party	Utility	Subject
02/02	U-25687 Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, River Bend uprate.
03/02	14311-U Rebuttal Panel with Bolin Killings	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Revenue requirements, earnings sharing plan, service quality standards.
03/02	14311-U Rebuttal Panel with Michelle L. Thebert	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Revenue requirements, revenue forecast, O&M expense, depreciation, plant additions, cash working capital.
03/02	001148-EI	FL	South Florida Hospital and Healthcare Assoc.	Florida Power & Light Co.	Revenue requirements. Nuclear life extension, storm damage accruals and reserve, capital structure, O&M expense.
04/02	U-25687 (Suppl. Surrebuttal)	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, River Bend uprate.
04/02	U-21453, U-20925 U-22092 (Subdocket C)	LA	Louisiana Public Service Commission	SWEPCO	Business separation plan, T&D Term Sheet, separations methodologies, hold harmless conditions.
08/02	EL01-88-000	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	System Agreement, production cost equalization, tariffs.
08/02	U-25888	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc. and Entergy Louisiana, Inc.	System Agreement, production cost disparities, prudence.
09/02	2002-00224 2002-00225	KY	Kentucky Industrial Utilities Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric Co.	Line losses and fuel clause recovery associated with off-system sales.
11/02	2002-00146 2002-00147	KY	Kentucky Industrial Utilities Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric Co.	Environmental compliance costs and surcharge recovery.
01/03	2002-00169	KY	Kentucky Industrial Utilities Customers, Inc.	Kentucky Power Co.	Environmental compliance costs and surcharge recovery.
04/03	2002-00429 2002-00430	KY	Kentucky Industrial Utilities Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric Co.	Extension of merger surcredit, flaws in Companies' studies.
04/03	U-26527	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, capital structure, post-test year adjustments.
06/03	EL01-88-000 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	System Agreement, production cost equalization, tariffs.

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06/03	2003-00068	KY	Kentucky Industrial Utility Customers	Kentucky Utilities Co.	Environmental cost recovery, correction of base rate error.
11/03	ER03-753-000	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Unit power purchases and sale cost-based tariff pursuant to System Agreement.
11/03	ER03-583-000, ER03-583-001, ER03-583-002  ER03-681-000, ER03-681-001  ER03-682-000, ER03-682-001, ER03-682-002  ER03-744-000, ER03-744-001 (Consolidated)	FERC	Louisiana Public Service Commission	Entergy Services, Inc., the Entergy Operating Companies, EWO Marketing, L.P., and Entergy Power, Inc.	Unit power purchases and sale agreements, contractual provisions, projected costs, leveled rates, and formula rates.
12/03	U-26527 Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, capital structure, post-test year adjustments.
12/03	2003-0334 2003-0335	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric Co.	Earnings Sharing Mechanism.
12/03	U-27136	LA	Louisiana Public Service Commission Staff	Entergy Louisiana, Inc.	Purchased power contracts between affiliates, terms and conditions.
03/04	U-26527 Supplemental Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, capital structure, post-test year adjustments.
03/04	2003-00433	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co.	Revenue requirements, depreciation rates, O&M expense, deferrals and amortization, earnings sharing mechanism, merger surcredit, VDT surcredit.
03/04	2003-00434	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements, depreciation rates, O&M expense, deferrals and amortization, earnings sharing mechanism, merger surcredit, VDT surcredit.
03/04	SOAH Docket 473-04-2459 PUC Docket 29206	TX	Cities Served by Texas-New Mexico Power Co.	Texas-New Mexico Power Co.	Stranded costs true-up, including valuation issues, ITC, ADIT, excess earnings.
05/04	04-169-EL-UNC	OH	Ohio Energy Group, Inc.	Columbus Southern Power Co. & Ohio Power Co.	Rate stabilization plan, deferrals, T&D rate increases, earnings.
06/04	SOAH Docket 473-04-4555 PUC Docket 29526	TX	Houston Council for Health and Education	CenterPoint Energy Houston Electric	Stranded costs true-up, including valuation issues, ITC, EDIT, excess mitigation credits, capacity auction true-up revenues, interest.

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08/04	SOAH Docket 473-04-4555 PUC Docket 29526 (Suppl Direct)	TX	Houston Council for Health and Education	CenterPoint Energy Houston Electric	Interest on stranded cost pursuant to Texas Supreme Court remand.
09/04	U-23327 Subdocket B	LA	Louisiana Public Service Commission Staff	SWEPCO	Fuel and purchased power expenses recoverable through fuel adjustment clause, trading activities, compliance with terms of various LPSC Orders.
10/04	U-23327 Subdocket A	LA	Louisiana Public Service Commission Staff	SWEPCO	Revenue requirements.
12/04	Case Nos. 2004-00321, 2004-00372	KY	Gallatin Steel Co.	East Kentucky Power Cooperative, Inc., Big Sandy Recc, et al.	Environmental cost recovery, qualified costs, TIER requirements, cost allocation.
01/05	30485	TX	Houston Council for Health and Education	CenterPoint Energy Houston Electric, LLC	Stranded cost true-up including regulatory Central Co. assets and liabilities, ITC, EDIT, capacity auction, proceeds, excess mitigation credits, retrospective and prospective ADIT.
02/05	18638-U	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Revenue requirements.
02/05	18638-U Panel with Tony Wackerly	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Comprehensive rate plan, pipeline replacement program surcharge, performance based rate plan.
02/05	18638-U Panel with Michelle Thebert	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Energy conservation, economic development, and tariff issues.
03/05	Case Nos. 2004-00426, 2004-00421	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric	Environmental cost recovery, Jobs Creation Act of 2004 and §199 deduction, excess common equity ratio, deferral and amortization of nonrecurring O&M expense.
06/05	2005-00068	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	Environmental cost recovery, Jobs Creation Act of 2004 and §199 deduction, margins on allowances used for AEP system sales.
06/05	050045-EI	FL	South Florida Hospital and Healthcare Assoc.	Florida Power & Light Co.	Storm damage expense and reserve, RTO costs, O&M expense projections, return on equity performance incentive, capital structure, selective second phase post-test year rate increase.
08/05	31056	TX	Alliance for Valley Healthcare	AEP Texas Central Co.	Stranded cost true-up including regulatory assets and liabilities, ITC, EDIT, capacity auction, proceeds, excess mitigation credits, retrospective and prospective ADIT.
09/05	20298-U	GA	Georgia Public Service Commission Adversary Staff	Atmos Energy Corp.	Revenue requirements, roll-in of surcharges, cost recovery through surcharge, reporting requirements.
09/05	20298-U	GA	Georgia Public Service	Atmos Energy Corp.	Affiliate transactions, cost allocations, capitalization,



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	Panel with Victoria Taylor		Commission Adversary Staff		cost of debt.
10/05	04-42	DE	Delaware Public Service Commission Staff	Artesian Water Co.	Allocation of tax net operating losses between regulated and unregulated.
11/05	2005-00351 2005-00352	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric	Workforce Separation Program cost recovery and shared savings through VDT surcredit.
01/06	2005-00341	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	System Sales Clause Rider, Environmental Cost Recovery Rider, Net Congestion Rider, Storm damage, vegetation management program, depreciation, off-system sales, maintenance normalization, pension and OPEB.
03/06	PUC Docket 31994	TX	Cities	Texas-New Mexico Power Co.	Stranded cost recovery through competition transition or change.
05/06	31994 Supplemental	TX	Cities	Texas-New Mexico Power Co.	Retrospective ADFIT, prospective ADFIT.
03/06	U-21453, U-20925, U-22092 (Subdocket B)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Jurisdictional separation plan.
03/06	NOPR Reg 104385-OR	IRS	Alliance for Valley Health Care and Houston Council for Health Education	AEP Texas Central Company and CenterPoint Energy Houston Electric	Proposed Regulations affecting flow-through to ratepayers of excess deferred income taxes and investment tax credits on generation plant that is sold or deregulated.
04/06	U-25116	LA	Louisiana Public Service Commission Staff	Entergy Louisiana, Inc.	2002-2004 Audit of Fuel Adjustment Clause Filings. Affiliate transactions.
07/06	R-00061366, Et. al.	PA	Met-Ed Ind. Users Group Pennsylvania Ind. Customer Alliance	Metropolitan Edison Co., Pennsylvania Electric Co.	Recovery of NUG-related stranded costs, government mandated program costs, storm damage costs.
07/06	U-23327	LA	Louisiana Public Service Commission Staff	Southwestern Electric Power Co.	Revenue requirements, formula rate plan, banking proposal.
08/06	U-21453, U-20925, U-22092 (Subdocket J)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Jurisdictional separation plan.
11/06	05CVH03-3375 Franklin County Court Affidavit	OH	Various Taxing Authorities (Non-Utility Proceeding)	State of Ohio Department of Revenue	Accounting for nuclear fuel assemblies as manufactured equipment and capitalized plant.
12/06	U-23327 Subdocket A Reply Testimony	LA	Louisiana Public Service Commission Staff	Southwestern Electric Power Co.	Revenue requirements, formula rate plan, banking proposal.
03/07	U-29764	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc., Entergy Louisiana, LLC	Jurisdictional allocation of Entergy System Agreement equalization remedy receipts.

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03/07	PUC Docket 33309	TX	Cities	AEP Texas Central Co.	Revenue requirements, including functionalization of transmission and distribution costs.
03/07	PUC Docket 33310	TX	Cities	AEP Texas North Co.	Revenue requirements, including functionalization of transmission and distribution costs.
03/07	2006-00472	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative	Interim rate increase, RUS loan covenants, credit facility requirements, financial condition.
03/07	U-29157	LA	Louisiana Public Service Commission Staff	Cleco Power, LLC	Permanent (Phase II) storm damage cost recovery.
04/07	U-29764 Supplemental and Rebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc., Entergy Louisiana, LLC	Jurisdictional allocation of Entergy System Agreement equalization remedy receipts.
04/07	ER07-682-000 Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Allocation of intangible and general plant and A&G expenses to production and state income tax effects on equalization remedy receipts.
04/07	ER07-684-000 Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Fuel hedging costs and compliance with FERC USOA.
05/07	ER07-682-000 Supplemental Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Allocation of intangible and general plant and A&G expenses to production and account 924 effects on MSS-3 equalization remedy payments and receipts.
06/07	U-29764	LA	Louisiana Public Service Commission Staff	Entergy Louisiana, LLC, Entergy Gulf States, Inc.	Show cause for violating LPSC Order on fuel hedging costs.
07/07	2006-00472	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative	Revenue requirements, post-test year adjustments, TIER, surcharge revenues and costs, financial need.
07/07	ER07-956-000 Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Storm damage costs related to Hurricanes Katrina and Rita and effects of MSS-3 equalization payments and receipts.
10/07	05-UR-103 Direct	WI	Wisconsin Industrial Energy Group	Wisconsin Electric Power Company, Wisconsin Gas, LLC	Revenue requirements, carrying charges on CWIP, amortization and return on regulatory assets, working capital, incentive compensation, use of rate base in lieu of capitalization, quantification and use of Point Beach sale proceeds.
10/07	05-UR-103 Surrebuttal	WI	Wisconsin Industrial Energy Group	Wisconsin Electric Power Company, Wisconsin Gas, LLC	Revenue requirements, carrying charges on CWIP, amortization and return on regulatory assets, working capital, incentive compensation, use of rate base in lieu of capitalization, quantification and use of Point Beach sale proceeds.
10/07	25060-U Direct	GA	Georgia Public Service Commission Public Interest Adversary Staff	Georgia Power Company	Affiliate costs, incentive compensation, consolidated income taxes, §199 deduction.

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11/07	06-0033-E-CN Direct	WV	West Virginia Energy Users Group	Appalachian Power Company	IGCC surcharge during construction period and post-in-service date.
11/07	ER07-682-000 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization and allocation of intangible and general plant and A&G expenses.
01/08	ER07-682-000 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization and allocation of intangible and general plant and A&G expenses.
01/08	07-551-EL-AIR Direct	OH	Ohio Energy Group, Inc.	Ohio Edison Company, Cleveland Electric Illuminating Company, Toledo Edison Company	Revenue requirements.
02/08	ER07-956-000 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization of expenses, storm damage expense and reserves, tax NOL carrybacks in accounts, ADIT, nuclear service lives and effects on depreciation and decommissioning.
03/08	ER07-956-000 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization of expenses, storm damage expense and reserves, tax NOL carrybacks in accounts, ADIT, nuclear service lives and effects on depreciation and decommissioning.
04/08	2007-00562, 2007-00563	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co., Louisville Gas and Electric Co.	Merger surcredit.
04/08	26837 Direct Bond, Johnson, Thebert, Kollen Panel	GA	Georgia Public Service Commission Staff	SCANA Energy Marketing, Inc.	Rule Nisi complaint.
05/08	26837 Rebuttal Bond, Johnson, Thebert, Kollen Panel	GA	Georgia Public Service Commission Staff	SCANA Energy Marketing, Inc.	Rule Nisi complaint.
05/08	26837 Suppl Rebuttal Bond, Johnson, Thebert, Kollen Panel	GA	Georgia Public Service Commission Staff	SCANA Energy Marketing, Inc.	Rule Nisi complaint.
06/08	2008-00115	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative, Inc.	Environmental surcharge recoveries, including costs recovered in existing rates, TIER.

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07/08	27163 Direct	GA	Georgia Public Service Commission Public Interest Advocacy Staff	Atmos Energy Corp.	Revenue requirements, including projected test year rate base and expenses.
07/08	27163 Taylor, Kollen Panel	GA	Georgia Public Service Commission Public Interest Advocacy Staff	Atmos Energy Corp.	Affiliate transactions and division cost allocations, capital structure, cost of debt.
08/08	6680-CE-170 Direct	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Company	Nelson Dewey 3 or Colombia 3 fixed financial parameters.
08/08	6680-UR-116 Direct	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Company	CWIP in rate base, labor expenses, pension expense, financing, capital structure, decoupling.
08/08	6680-UR-116 Rebuttal	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Company	Capital structure.
08/08	6690-UR-119 Direct	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Public Service Corp.	Prudence of Weston 3 outage, incentive compensation, Crane Creek Wind Farm incremental revenue requirement, capital structure.
09/08	6690-UR-119 Surrebuttal	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Public Service Corp.	Prudence of Weston 3 outage, Section 199 deduction.
09/08	08-935-EL-SSO, 08-918-EL-SSO	OH	Ohio Energy Group, Inc.	First Energy	Standard service offer rates pursuant to electric security plan, significantly excessive earnings test.
10/08	08-917-EL-SSO	OH	Ohio Energy Group, Inc.	AEP	Standard service offer rates pursuant to electric security plan, significantly excessive earnings test.
10/08	2007-00564, 2007-00565, 2008-00251 2008-00252	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co., Kentucky Utilities Company	Revenue forecast, affiliate costs, ELG v ASL depreciation procedures, depreciation expenses, federal and state income tax expense, capitalization, cost of debt.
11/08	EL08-51	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Spindletop gas storage facilities, regulatory asset and bandwidth remedy.
11/08	35717	TX	Cities Served by Oncor Delivery Company	Oncor Delivery Company	Recovery of old meter costs, asset ADFIT, cash working capital, recovery of prior year restructuring costs, levelized recovery of storm damage costs, prospective storm damage accrual, consolidated tax savings adjustment.
12/08	27800	GA	Georgia Public Service Commission	Georgia Power Company	AFUDC versus CWIP in rate base, mirror CWIP, certification cost, use of short term debt and trust preferred financing, CWIP recovery, regulatory incentive.
01/09	ER08-1056	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Entergy System Agreement bandwidth remedy calculations, including depreciation expense, ADIT, capital structure.
01/09	ER08-1056 Supplemental Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Blytheville leased turbines; accumulated depreciation.

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02/09	EL08-51 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Spindletop gas storage facilities regulatory asset and bandwidth remedy.
02/09	2008-00409 Direct	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative, Inc.	Revenue requirements.
03/09	ER08-1056 Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Entergy System Agreement bandwidth remedy calculations, including depreciation expense, ADIT, capital structure.
03/09	U-21453, U-20925 U-22092 (Sub J) Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States Louisiana, LLC	Violation of EGSI separation order, ETI and EGSL separation accounting, Spindletop regulatory asset.
04/09	Rebuttal				
04/09	2009-00040 Direct-Interim (Oral)	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Emergency interim rate increase; cash requirements.
04/09	PUC Docket 36530	TX	State Office of Administrative Hearings	Oncor Electric Delivery Company, LLC	Rate case expenses.
05/09	ER08-1056 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Entergy System Agreement bandwidth remedy calculations, including depreciation expense, ADIT, capital structure.
06/09	2009-00040 Direct- Permanent	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Revenue requirements, TIER, cash flow.
07/09	080677-EI	FL	South Florida Hospital and Healthcare Association	Florida Power & Light Company	Multiple test years, GBRA rider, forecast assumptions, revenue requirement, O&M expense, depreciation expense, Economic Stimulus Bill, capital structure.
08/09	U-21453, U- 20925, U-22092 (Subdocket J) Supplemental Rebuttal	LA	Louisiana Public Service Commission	Entergy Gulf States Louisiana, LLC	Violation of EGSI separation order, ETI and EGSL separation accounting, Spindletop regulatory asset.
08/09	8516 and 29950	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Company	Modification of PRP surcharge to include infrastructure costs.
09/09	05-UR-104 Direct and Surrebuttal	WI	Wisconsin Industrial Energy Group	Wisconsin Electric Power Company	Revenue requirements, incentive compensation, depreciation, deferral mitigation, capital structure, cost of debt.
09/09	09AL-299E Answer	CO	CF&I Steel, Rocky Mountain Steel Mills LP, Climax Molybdenum Company	Public Service Company of Colorado	Forecasted test year, historic test year, proforma adjustments for major plant additions, tax depreciation.

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09/09	6680-UR-117 Direct and Surrebuttal	WI	Wisconsin Industrial Energy Group	Wisconsin Power and Light Company	Revenue requirements, CWIP in rate base, deferral mitigation, payroll, capacity shutdowns, regulatory assets, rate of return.
10/09	09A-415E Answer	CO	Cripple Creek & Victor Gold Mining Company, et al.	Black Hills/CO Electric Utility Company	Cost prudence, cost sharing mechanism.
10/09	EL09-50 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Waterford 3 sale/leaseback accumulated deferred income taxes, Entergy System Agreement bandwidth remedy calculations.
10/09	2009-00329	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Company, Kentucky Utilities Company	Trimble County 2 depreciation rates.
12/09	PUE-2009-00030	VA	Old Dominion Committee for Fair Utility Rates	Appalachian Power Company	Return on equity incentive.
12/09	ER09-1224 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Hypothetical versus actual costs, out of period costs, Spindletop deferred capital costs, Waterford 3 sale/leaseback ADIT.
01/10	ER09-1224 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Hypothetical versus actual costs, out of period costs, Spindletop deferred capital costs, Waterford 3 sale/leaseback ADIT.
01/10	EL09-50 Rebuttal  Supplemental Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Waterford 3 sale/leaseback accumulated deferred income taxes, Entergy System Agreement bandwidth remedy calculations.
02/10	ER09-1224 Final	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Hypothetical versus actual costs, out of period costs, Spindletop deferred capital costs, Waterford 3 sale/leaseback ADIT.
02/10	30442 Wackerly-Kollen Panel	GA	Georgia Public Service Commission Staff	Atmos Energy Corporation	Revenue requirement issues.
02/10	30442 McBride-Kollen Panel	GA	Georgia Public Service Commission Staff	Atmos Energy Corporation	Affiliate/division transactions, cost allocation, capital structure.
02/10	2009-00353	KY	Kentucky Industrial Utility Customers, Inc., Attorney General	Louisville Gas and Electric Company, Kentucky Utilities Company	Ratemaking recovery of wind power purchased power agreements.
03/10	2009-00545	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Ratemaking recovery of wind power purchased power agreement.
03/10	E015/GR-09-1151	MN	Large Power Interveners	Minnesota Power	Revenue requirement issues, cost overruns on environmental retrofit project.

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04/10	2009-00459	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Revenue requirement issues.
04/10	2009-00548, 2009-00549	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Company, Louisville Gas and Electric Company	Revenue requirement issues.
08/10	31647	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Company	Revenue requirement and synergy savings issues.
08/10	31647 Wackerly-Kollen Panel	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Company	Affiliate transaction and Customer First program issues.
08/10	2010-00204	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Company, Kentucky Utilities Company	PPL acquisition of E.ON U.S. (LG&E and KU) conditions, acquisition savings, sharing deferral mechanism.
09/10	38339 Direct and Cross-Rebuttal	TX	Gulf Coast Coalition of Cities	CenterPoint Energy Houston Electric	Revenue requirement issues, including consolidated tax savings adjustment, incentive compensation FIN 48; AMS surcharge including roll-in to base rates; rate case expenses.
09/10	EL 10-55	FERC	Louisiana Public Service Commission	Entergy Services, Inc., Entergy Operating Cos	Depreciation rates and expense input effects on System Agreement tariffs.
09/10	2010-00167	KY	Gallatin Steel	East Kentucky Power Cooperative, Inc.	Revenue requirements.
09/10	U-23327 Subdocket E Direct	LA	Louisiana Public Service Commission	SWEPCO	Fuel audit: SO2 allowance expense, variable O&M expense, off-system sales margin sharing.
11/10	U-23327 Rebuttal	LA	Louisiana Public Service Commission	SWEPCO	Fuel audit: SO2 allowance expense, variable O&M expense, off-system sales margin sharing.
09/10	U-31351	LA	Louisiana Public Service Commission Staff	SWEPCO and Valley Electric Membership Cooperative	Sale of Valley assets to SWEPCO and dissolution of Valley.
10/10	10-1261-EL-UNC	OH	Ohio OCC, Ohio Manufacturers Association, Ohio Energy Group, Ohio Hospital Association, Appalachian Peace and Justice Network	Columbus Southern Power Company	Significantly excessive earnings test.
10/10	10-0713-E-PC	WV	West Virginia Energy Users Group	Monongahela Power Company, Potomac Edison Power Company	Merger of First Energy and Allegheny Energy.

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10/10	U-23327 Subdocket F Direct	LA	Louisiana Public Service Commission Staff	SWEPCO	AFUDC adjustments in Formula Rate Plan.
11/10	EL 10-55 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc., Entergy Operating Cos	Depreciation rates and expense input effects on System Agreement tariffs.
12/10	ER10-1350 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc. Entergy Operating Cos	Waterford 3 lease amortization, ADIT, and fuel inventory effects on System Agreement tariffs.
01/11	ER10-1350 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc., Entergy Operating Cos	Waterford 3 lease amortization, ADIT, and fuel inventory effects on System Agreement tariffs.
03/11	ER10-2001 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc., Entergy Arkansas, Inc.	EAI depreciation rates.
04/11	Cross-Answering				
04/11	U-23327 Subdocket E	LA	Louisiana Public Service Commission Staff	SWEPCO	Settlement, incl resolution of S02 allowance expense, var O&M expense, sharing of OSS margins.
04/11	38306 Direct	TX	Cities Served by Texas- New Mexico Power Company	Texas-New Mexico Power Company	AMS deployment plan, AMS Surcharge, rate case expenses.
05/11	Suppl Direct				
05/11	11-0274-E-GI	WV	West Virginia Energy Users Group	Appalachian Power Company, Wheeling Power Company	Deferral recovery phase-in, construction surcharge.
05/11	2011-00036	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Revenue requirements.
06/11	29849	GA	Georgia Public Service Commission Staff	Georgia Power Company	Accounting issues related to Vogtle risk-sharing mechanism.
07/11	ER11-2161 Direct and Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and Entergy Texas, Inc.	ETI depreciation rates; accounting issues.
07/11	PUE-2011-00027	VA	Virginia Committee for Fair Utility Rates	Virginia Electric and Power Company	Return on equity performance incentive.
07/11	11-346-EL-SSO 11-348-EL-SSO 11-349-EL-AAM 11-350-EL-AAM	OH	Ohio Energy Group	AEP-OH	Equity Stabilization Incentive Plan; actual earned returns; ADIT offsets in riders.
08/11	U-23327 Subdocket F Rebuttal	LA	Louisiana Public Service Commission Staff	SWEPCO	Depreciation rates and service lives; AFUDC adjustments.
08/11	05-UR-105	WI	Wisconsin Industrial Energy Group	WE Energies, Inc.	Suspended amortization expenses; revenue requirements.



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<b>Date</b>	<b>Case</b>	<b>Jurisdic.</b>	<b>Party</b>	<b>Utility</b>	<b>Subject</b>
08/11	ER11-2161 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and Entergy Texas, Inc.	ETI depreciation rates; accounting issues.
09/11	PUC Docket 39504	TX	Gulf Coast Coalition of Cities	CenterPoint Energy Houston Electric	Investment tax credit, excess deferred income taxes; normalization.
09/11	2011-00161 2011-00162	KY	Kentucky Industrial Utility Consumers, Inc.	Louisville Gas & Electric Company, Kentucky Utilities Company	Environmental requirements and financing.
10/11	11-4571-EL-UNC 11-4572-EL-UNC	OH	Ohio Energy Group	Columbus Southern Power Company, Ohio Power Company	Significantly excessive earnings.
10/11	4220-UR-117 Direct	WI	Wisconsin Industrial Energy Group	Northern States Power-Wisconsin	Nuclear O&M, depreciation.
11/11	4220-UR-117 Surrebuttal	WI	Wisconsin Industrial Energy Group	Northern States Power-Wisconsin	Nuclear O&M, depreciation.
11/11	PUC Docket 39722	TX	Cities Served by AEP Texas Central Company	AEP Texas Central Company	Investment tax credit, excess deferred income taxes; normalization.
02/12	PUC Docket 40020	TX	Cities Served by Oncor	Lone Star Transmission, LLC	Temporary rates.
03/12	11AL-947E Answer	CO	Climax Molybdenum Company and CF&I Steel, L.P. d/b/a Evraz Rocky Mountain Steel	Public Service Company of Colorado	Revenue requirements, including historic test year, future test year, CACJA CWIP, contra-AFUDC.
03/12	2011-00401	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Big Sandy 2 environmental retrofits and environmental surcharge recovery.
4/12	2011-00036 Direct Rehearing Supplemental Rebuttal Rehearing	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Rate case expenses, depreciation rates and expense.
04/12	10-2929-EL-UNC	OH	Ohio Energy Group	AEP Ohio Power	State compensation mechanism, CRES capacity charges, Equity Stabilization Mechanism
05/12	11-346-EL-SSO 11-348-EL-SSO	OH	Ohio Energy Group	AEP Ohio Power	State compensation mechanism, Equity Stabilization Mechanism, Retail Stability Rider.
05/12	11-4393-EL-RDR	OH	Ohio Energy Group	Duke Energy Ohio, Inc.	Incentives for over-compliance on EE/PDR mandates.

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Date	Case	Jurisdicht.	Party	Utility	Subject
06/12	40020	TX	Cities Served by Oncor	Lone Star Transmission, LLC	Revenue requirements, including ADIT, bonus depreciation and NOL, working capital, self insurance, depreciation rates, federal income tax expense.
07/12	120015-EI	FL	South Florida Hospital and Healthcare Association	Florida Power & Light Company	Revenue requirements, including vegetation management, nuclear outage expense, cash working capital, CWIP in rate base.
07/12	2012-00063	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Environmental retrofits, including environmental surcharge recovery.
09/12	05-UR-106	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Electric Power Company	Section 1603 grants, new solar facility, payroll expenses, cost of debt.
10/12	2012-00221 2012-00222	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Company, Kentucky Utilities Company	Revenue requirements, including off-system sales, outage maintenance, storm damage, injuries and damages, depreciation rates and expense.
10/12	120015-EI Direct	FL	South Florida Hospital and Healthcare Association	Florida Power & Light Company	Settlement issues.
11/12	120015-EI Rebuttal	FL	South Florida Hospital and Healthcare Association	Florida Power & Light Company	Settlement issues.
10/12	40604	TX	Steering Committee of Cities Served by Oncor	Cross Texas Transmission, LLC	Policy and procedural issues, revenue requirements, including AFUDC, ADIT – bonus depreciation & NOL, incentive compensation, staffing, self-insurance, net salvage, depreciation rates and expense, income tax expense.
11/12	40627 Direct	TX	City of Austin d/b/a Austin Energy	City of Austin d/b/a Austin Energy	Rate case expenses.
12/12	40443	TX	Cities Served by SWEPCO	Southwestern Electric Power Company	Revenue requirements, including depreciation rates and service lives, O&M expenses, consolidated tax savings, CWIP in rate base, Turk plant costs.
12/12	U-29764	LA	Louisiana Public Service Commission Staff	Entergy Gulf States Louisiana, LLC and Entergy Louisiana, LLC	Termination of purchased power contracts between EGSL and ETI, Spindletop regulatory asset.
01/13	ER12-1384 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Gulf States Louisiana, LLC and Entergy Louisiana, LLC	Little Gypsy 3 cancellation costs.
02/13	40627 Rebuttal	TX	City of Austin d/b/a Austin Energy	City of Austin d/b/a Austin Energy	Rate case expenses.
03/13	12-426-EL-SSO	OH	The Ohio Energy Group	The Dayton Power and Light Company	Capacity charges under state compensation mechanism, Service Stability Rider, Switching Tracker.

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<b>Date</b>	<b>Case</b>	<b>Jurisdic.</b>	<b>Party</b>	<b>Utility</b>	<b>Subject</b>
04/13	12-2400-EL-UNC	OH	The Ohio Energy Group	Duke Energy Ohio, Inc.	Capacity charges under state compensation mechanism, deferrals, rider to recover deferrals.
04/13	2012-00578	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Resource plan, including acquisition of interest in Mitchell plant.
05/13	2012-00535	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Revenue requirements, excess capacity, restructuring.
06/13	12-3254-EL-UNC	OH	The Ohio Energy Group, Inc., Office of the Ohio Consumers' Counsel	Ohio Power Company	Energy auctions under CBP, including reserve prices.
07/13	2013-00144	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Biomass renewable energy purchase agreement.
07/13	2013-00221	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Agreements to provide Century Hawesville Smelter market access.
10/13	2013-00199	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Revenue requirements, excess capacity, restructuring.
12/13	2013-00413	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Agreements to provide Century Sebree Smelter market access.
01/14	ER10-1350 Direct and Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Waterford 3 lease accounting and treatment in annual bandwidth filings.
02/14	U-32981	LA	Louisiana Public Service Commission	Entergy Louisiana, LLC	Montauk renewable energy PPA.
04/14	ER13-432 Direct	FERC	Louisiana Public Service Commission	Entergy Gulf States Louisiana, LLC and Entergy Louisiana, LLC	UP Settlement benefits and damages.
05/14	PUE-2013-00132	VA	HP Hood LLC	Shenandoah Valley Electric Cooperative	Market based rate; load control tariffs.
07/14	PUE-2014-00033	VA	Virginia Committee for Fair Utility Rates	Virginia Electric and Power Company	Fuel and purchased power hedge accounting, change in FAC Definitional Framework.
08/14	ER13-432 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Gulf States Louisiana, LLC and Entergy Louisiana, LLC	UP Settlement benefits and damages.
08/14	2014-00134	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Requirements power sales agreements with Nebraska entities.
09/14	E-015/CN-12-1163 Direct	MN	Large Power Intervenors	Minnesota Power	Great Northern Transmission Line; cost cap; AFUDC v. current recovery; rider v. base recovery; class cost allocation.
10/14	2014-00225	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Allocation of fuel costs to off-system sales.

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<b>Date</b>	<b>Case</b>	<b>Jurisdic.</b>	<b>Party</b>	<b>Utility</b>	<b>Subject</b>
10/14	ER13-1508	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Entergy service agreements and tariffs for affiliate power purchases and sales; return on equity.
10/14	14-0702-E-42T 14-0701-E-D	WV	West Virginia Energy Users Group	First Energy-Monongahela Power, Potomac Edison	Consolidated tax savings; payroll; pension, OPEB, amortization; depreciation; environmental surcharge.
11/14	E-015/CN-12-1163 Surrebuttal	MN	Large Power Intervenors	Minnesota Power	Great Northern Transmission Line; cost cap; AFUDC v. current recovery; rider v. base recovery; class allocation.
11/14	05-376-EL-UNC	OH	Ohio Energy Group	Ohio Power Company	Refund of IGCC CWIP financing cost recoveries.
11/14	14AL-0660E	CO	Climax, CF&I Steel	Public Service Company of Colorado	Historic test year v. future test year; AFUDC v. current return; CACJA rider, transmission rider; equivalent availability rider; ADIT; depreciation; royalty income; amortization.
12/14	EL14-026	SD	Black Hills Industrial Intervenors	Black Hills Power Company	Revenue requirement issues, including depreciation expense and affiliate charges.
12/14	14-1152-E-42T	WV	West Virginia Energy Users Group	AEP-Appalachian Power Company	Income taxes, payroll, pension, OPEB, deferred costs and write offs, depreciation rates, environmental projects surcharge.
01/15	9400-YO-100 Direct	WI	Wisconsin Industrial Energy Group	Wisconsin Energy Corporation	WEC acquisition of Integrys Energy Group, Inc.
01/15	14F-0336EG 14F-0404EG	CO	Development Recovery Company LLC	Public Service Company of Colorado	Line extension policies and refunds.
02/15	9400-YO-100 Rebuttal	WI	Wisconsin Industrial Energy Group	Wisconsin Energy Corporation	WEC acquisition of Integrys Energy Group, Inc.
03/15	2014-00396	KY	Kentucky Industrial Utility Customers, Inc.	AEP-Kentucky Power Company	Base, Big Sandy 2 retirement rider, environmental surcharge, and Big Sandy 1 operation rider revenue requirements, depreciation rates, financing, deferrals.
03/15	2014-00371 2014-00372	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Company and Louisville Gas and Electric Company	Revenue requirements, staffing and payroll, depreciation rates.
04/15	2014-00450	KY	Kentucky Industrial Utility Customers, Inc. and the Attorney General of the Commonwealth of Kentucky	AEP-Kentucky Power Company	Allocation of fuel costs between native load and off-system sales.
04/15	2014-00455	KY	Kentucky Industrial Utility Customers, Inc. and the Attorney General of the Commonwealth of Kentucky	Big Rivers Electric Corporation	Allocation of fuel costs between native load and off-system sales.

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Date	Case	Jurisdic.	Party	Utility	Subject
04/15	ER2014-0370	MO	Midwest Energy Consumers' Group	Kansas City Power & Light Company	Affiliate transactions, operation and maintenance expense, management audit.
05/15	PUE-2015-00022	VA	Virginia Committee for Fair Utility Rates	Virginia Electric and Power Company	Fuel and purchased power hedge accounting; change in FAC Definitional Framework.
05/15	EL 10-65	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Accounting for AFUDC Debt, related ADIT.
09/15	Direct, Rebuttal Complaint				
07/15	EL 10-65 Direct and Answering Consolidated Bandwidth Dockets	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Waterford 3 sale/leaseback ADIT, Bandwidth Formula.
09/15	14-1693-EL-RDR	OH	Public Utilities Commission of Ohio	Ohio Energy Group	PPA rider for charges or credits for physical hedges against market.
12/15	45188	TX	Cities Served by Oncor Electric Delivery Company	Oncor Electric Delivery Company	Hunt family acquisition of Oncor; transaction structure; income tax savings from real estate investment trust (REIT) structure; conditions.
12/15	6680-CE-176	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Company	Need for capacity and economics of proposed Riverside Energy Center Expansion project; ratemaking conditions.
01/16	Direct, Surrebuttal, Supplemental Rebuttal				
03/16	EL01-88 Remand	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Bandwidth Formula: Capital structure, fuel inventory, Waterford 3 sale/leaseback, Vidalia purchased power, ADIT, Blythesville, Spindletop, River Bend AFUDC, property insurance reserve, nuclear depreciation expense.
03/16	Direct				
04/16	Answering				
05/16	Cross-Answering				
06/16	Rebuttal				
03/16	15-1673-E-T	WV	West Virginia Energy Users Group	Appalachian Power Company	Terms and conditions of utility service for commercial and industrial customers, including security deposits.
04/16	39971 Panel Direct	GA	Georgia Public Service Commission Staff	Southern Company, AGL Resources, Georgia Power Company, Atlanta Gas Light Company	Southern Company acquisition of AGL Resources, risks, opportunities, quantification of savings, ratemaking implications, conditions, settlement.
04/16	2015-00343	KY	Office of the Attorney General	Atmos Energy Corporation	Revenue requirements, including NOL ADIT, affiliate transactions.
04/16	2016-00070	KY	Office of the Attorney General	Atmos Energy Corporation	R & D Rider.

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Date	Case	Jurisdic.	Party	Utility	Subject
05/16	2016-00026 2016-00027	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric Co.	Need for environmental projects, calculation of environmental surcharge rider.
05/16	16-G-0058 16-G-0059	NY	New York City	Keyspan Gas East Corp., Brooklyn Union Gas Company	Depreciation, including excess reserves, leak prone pipe.
06/16	160088-EI	FL	South Florida Hospital and Healthcare Association	Florida Power and Light Company	Fuel Adjustment Clause Incentive Mechanism re: economy sales and purchases, asset optimization.
07/16	160021-EI	FL	South Florida Hospital and Healthcare Association	Florida Power and Light Company	Revenue requirements, including capital recovery, depreciation, ADIT.
07/16	16-057-01	UT	Office of Consumer Services	Dominion Resources, Inc. / Questar Corporation	Merger, risks, harms, benefits, accounting.
08/16	15-1022-EL-UNC 16-1105-EL-UNC	OH	Ohio Energy Group	AEP Ohio Power Company	SEET earnings, effects of other pending proceedings.
9/16	2016-00162	KY	Office of the Attorney General	Columbia Gas Kentucky	Revenue requirements, O&M expense, depreciation, affiliate transactions.
09/16	E-22 Sub 519, 532, 533	NC	Nucor Steel	Dominion North Carolina Power Company	Revenue requirements, deferrals and amortizations.
09/16	15-1256-G-390P (Reopened) 16-0922-G-390P	WV	West Virginia Energy Users Group	Mountaineer Gas Company	Infrastructure rider, including NOL ADIT and other income tax normalization and calculation issues.
10/16	10-2929-EL-UNC 11-346-EL-SSO 11-348-EL-SSO 11-349-EL-SSO 11-350-EL-SSO 14-1186-EL-RDR	OH	Ohio Energy Group	AEP Ohio Power Company	State compensation mechanism, capacity cost, Retail Stability Rider deferrals, refunds, SEET.
11/16	16-0395-EL-SSO Direct	OH	Ohio Energy Group	Dayton Power & Light Company	Credit support and other riders; financial stability of Utility, holding company.
12/16	Formal Case 1139	DC	Healthcare Council of the National Capital Area	Potomac Electric Power Company	Post test year adjust, merger costs, NOL ADIT, incentive compensation, rent.
01/17	46238	TX	Steering Committee of Cities Served by Oncor	Oncor Electric Delivery Company	Next Era acquisition of Oncor; goodwill, transaction costs, transition costs, cost deferrals, ratemaking issues.
02/17	16-0395-EL-SSO Direct (Stipulation)	OH	Ohio Energy Group	Dayton Power & Light Company	Non-unanimous stipulation re: credit support and other riders; financial stability of utility, holding company.
02/17	45414	TX	Cities of Midland, McAllen, and Colorado City	Sharyland Utilities, LP, Sharyland Distribution & Transmission Services, LLC	Income taxes, depreciation, deferred costs, affiliate expenses.

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<b>Date</b>	<b>Case</b>	<b>Jurisdic.</b>	<b>Party</b>	<b>Utility</b>	<b>Subject</b>
03/17	2016-00370 2016-00371	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Company, Louisville Gas and Electric Company	AMS, capital expenditures, maintenance expense, amortization expense, depreciation rates and expense.
06/17	29849 (Panel with Philip Hayet)	GA	Georgia Public Service Commission Staff	Georgia Power Company	Vogtle 3 and 4 economics.
08/17	17-0296-E-PC	WV	Public Service Commission of West Virginia Charleston	Monongahela Power Company, The Potomac Edison Power Company	ADIT, OPEB.
10/17	2017-00179	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Weather normalization, Rockport lease, O&M, incentive compensation, depreciation, income taxes.
10/17	2017-00287	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Fuel cost allocation to native load customers.
12/17	2017-00321	KY	Attorney General	Duke Energy Kentucky (Electric)	Revenues, depreciation, income taxes, O&M, regulatory assets, environmental surcharge rider, FERC transmission cost reconciliation rider.
12/17	29849 (Panel with Philip Hayet, Tom Newsome)	GA	Georgia Public Service Commission Staff	Georgia Power Company	Vogtle 3 and 4 economics, tax abandonment loss.
01/18	2017-00349	KY	Kentucky Attorney General	Atmos Energy Kentucky	O&M expense, depreciation, regulatory assets and amortization, Annual Review Mechanism, Pipeline Replacement Program and Rider, affiliate expenses.
06/18	18-0047	OH	Ohio Energy Group	Ohio Electric Utilities	Tax Cuts and Jobs Act. Reduction in income tax expense; amortization of excess ADIT.
07/18	T-34695	LA	LPSC Staff	Crimson Gulf, LLC	Revenues, depreciation, income taxes, O&M, ADIT.
08/18	48325	TX	Cities Served by Oncor	Oncor Electric Delivery Company	Tax Cuts and Jobs Act; amortization of excess ADIT.
08/18	48401	TX	Cities Served by TNMP	Texas-New Mexico Power Company	Revenues, payroll, income taxes, amortization of excess ADIT, capital structure.
08/18	2018-00146	KY	KIUC	Big Rivers Electric Corporation	Station Two contracts termination, regulatory asset, regulatory liability for savings
09/18	20170235-EI 20170236-EU	FL	Office of Public Counsel	Florida Power & Light Company	FP&L acquisition of City of Vero Beach municipal electric utility systems.
10/18	Direct Supplemental Direct				

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<b>Date</b>	<b>Case</b>	<b>Jurisdic.</b>	<b>Party</b>	<b>Utility</b>	<b>Subject</b>
09/18	2017-370-E	SC	Office of Regulatory Staff	South Carolina Electric & Gas Company and Dominion Energy, Inc.	Recovery of Summer 2 and 3 new nuclear development costs, related regulatory liabilities, securitization, NOL carryforward and ADIT, TCJA savings, merger conditions and savings.
10/18	Direct 2017-207, 305, 370-E Surrebuttal Supplemental Surrebuttal				
12/18	2018-00261	KY	Attorney General	Duke Energy Kentucky (Gas)	Revenues, O&M, regulatory assets, payroll, integrity management, incentive compensation, cash working capital.
01/19	2018-00294 2018-00295	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Company, Louisville Gas & Electric Company	AFUDC v. CWIP in rate base, transmission and distribution plant additions, capitalization, revenues generation outage expense, depreciation rates and expenses, cost of debt.
01/19	2018-00281	KY	Attorney General	Atmos Energy Corp.	AFUDC v. CWIP in rate base, ALG v. ELG depreciation rates, cash working capital, PRP Rider, forecast plant additions, forecast expenses, cost of debt, corporate cost allocation.
02/19	UD-18-17	New Orleans	Crescent City Power Users Group	Entergy New Orleans, LLC	Post-test year adjustments, storm reserve fund, NOL ADIT, FIN48 ADIT, cash working capital, depreciation, amortization, capital structure, formula rate plans, purchased power rider.
04/19	Direct Surrebuttal and Cross-Answering				
03/19	2018-0358	KY	Attorney General	Kentucky American Water Company	Capital expenditures, cash working capital, payroll expense, incentive compensation, chemicals expense, electricity expense, water losses, rate case expense, excess deferred income taxes.
03/19	48929	TX	Steering Committee of Cities Served by Oncor	Oncor Electric Delivery Company LLC, Sempra Energy, Sharyland Distribution & Transmission Services, L.L.C., Sharyland Utilities, L.P.	Sale, transfer, merger transactions, hold harmless and other regulatory conditions.
06/19	49421	TX	Gulf Coast Coalition of Cities	CenterPoint Energy Houston Electric	Prepaid pension asset, accrued OPEB liability, regulatory assets and liabilities, merger savings, storm damage expense, excess deferred income taxes.
07/19	49494	TX	Cities Served by AEP Texas	AEP Texas, Inc.	Plant in service, prepaid pension asset, O&M, ROW costs, incentive compensation, self-insurance expense, excess deferred income taxes.
08/19	19-G-0309 19-G-0310	NY	New York City	National Grid	Depreciation rates, net negative salvage.



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<b>Date</b>	<b>Case</b>	<b>Jurisdic.</b>	<b>Party</b>	<b>Utility</b>	<b>Subject</b>
10/19	42315	GA	Atlanta Gas Light Company	Public Interest Advocacy Staff	Capital expenditures, O&M expense, prepaid pension asset, incentive compensation, merger savings, affiliate expenses, excess deferred income taxes.
10/19	45253	IN	Duke Energy Indiana	Office of Utility Consumer Counselor	Prepaid pension asset, inventories, regulatory assets and liabilities, unbilled revenues, incentive compensation, income tax expense, affiliate charges, ADIT, riders.
12/19	2019-00271	KY	Attorney General	Duke Energy Kentucky	ADIT, EDIT, CWC, payroll expense, incentive compensation expense, depreciation rates, pilot programs
05/20	202000067-EI	FL	Office of Public Counsel	Tampa Electric Company	Storm Protection Plan.
07/20 09/20	PUR-2020-00015 Direct Surrebuttal	VA	Old Dominion Committee for Fair Utility Rates	Appalachian Power Company	Coal Amortization Rider, storm damage, prepaid pension and OPEB assets, return on joint-use assets.
07/20 09/20	2019-226-E Direct Surrebuttal	SC	Office of Regulatory Staff	Dominion Energy South Carolina	Integrated Resource Plan.
10/20	2020-00160	KY	Attorney General	Water Service Corporation of Kentucky	Return on rate base v. operating ratio.
10/20	2020-00174	KY	Attorney General and Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Rate base v. capitalization, Rockport UPA, prepaid pension and OPEB, cash working capital, incentive compensation, Rockport 2 depreciation expense, EDIT, AML, grid modernization rider.

**DOMINION ENERGY SOUTH CAROLINA, INC.  
OFFICE OF REGULATORY STAFF'S THIRD AND CONTINUING REQUEST  
FOR BOOKS, RECORDS AND OTHER INFORMATION  
DOCKET NO. 2020-125-E**

**REQUEST NO. 3-9:**

Refer to the Company's 2019 Form 1 at 109.2, which describes the Company's post-merger tender offers in February 2019 on first mortgage bond debt and the related loss incurred on reacquired debt of \$187 million and the gain incurred on reacquired debt of \$2 million. If this has been previously provided in another docket or another response in this Docket, please indicate as such.

- a. Provide a copy of all correspondence, including, but not limited to, emails, that address the reason(s) for and the scope and timing of the tender offers.
- b. Provide a copy of all presentations and all other documents prepared by or for DESC, including, but not limited to, presentations prepared internally and/or externally by financial advisors, that address the reason(s) for and the scope and timing of the tender offers.
- c. Provide a copy of all analyses performed, internally and/or externally by financial advisors, that address the criteria used to determine the total amount of the tender offers and/or to select the debt issues for tender, including all analyses performed for the individual debt issues that were selected and those that were not selected.
- d. For each debt issue redeemed, identify the source of the funds used to repay the debt principal outstanding and all other redemption costs, including, but not limited to, early redemption and/or make whole costs. Identify specific new debt issues used for this purpose, if any, and provide all terms of such new debt issues, including the principal amount of the issue, issuance costs, debt discount or premium, stated interest rate, and yield to maturity interest rate.

**RESPONSE NO. 3-9:**

a. Refer to Rates Request #5 (2019-6-G) for a description of the Company's post-merger tender offers in the first quarter of 2019, including the reason for and the scope and timing of the tender offers. See the 3.9.a attachment from February 4<sup>th</sup> which describes the reason, scope, and timing of the tender offers.

b. See the attachments dated January 10<sup>th</sup> and 24<sup>th</sup> 2019, which include presentations prepared by external financial advisors based on discussions and guidance provided by the Company which support the reasons and scope and timing as outlined in our prior response, Rates Request #5 (2019-6-G). The

**DOMINION ENERGY SOUTH CAROLINA, INC.  
OFFICE OF REGULATORY STAFF'S THIRD AND CONTINUING REQUEST  
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analyses attached to this response are confidential information and, as such, they are being provided to ORS pursuant to S.C. Code Ann. § 58-4-55 and may not be disclosed.

c. See the 3.9.c attachment for the analysis performed internally to determine the total amount of the tender offers needed. In addition to the presentations provided in association with 3-9(b) above, see the attachments dated January 4<sup>th</sup> and February 14<sup>th</sup> and 15<sup>th</sup> 2019, which include analyses performed by the Company's external financial advisors to address the total amount of the tender offers and select the debt issues for tender. The analyses attached to this response are confidential information and, as such, they are being provided to ORS pursuant to S.C. Code Ann. § 58-4-55 and may not be disclosed.

d. The following tender offers took place for this transaction – \$302M of 2021 bonds, \$382M of 2046 bonds, \$340M of 2064 bonds and \$183M of 2042 bonds. This totaled approximately \$1,207M in tendered bonds. The source of funds included approximately \$675M equity infusion from Dominion Energy, Inc. ("Dominion"), \$436M cash on hand, and \$96M borrowings from the Utility Money pool, funded by Dominion, and \$100M cash on hand. As the tender was funded by cash on hand and funds from the Company's parent, Dominion, there were no specific new debt issuances required at Dominion Energy SC.

**PERSON RESPONSIBLE: Lauren Adkins and Jonathan Evans**

**DOMINION ENERGY SOUTH CAROLINA, INC.  
OFFICE OF REGULATORY STAFF'S THIRD AND CONTINUING REQUEST  
FOR BOOKS, RECORDS AND OTHER INFORMATION  
DOCKET NO. 2020-125-E**

**REQUEST NO. 3-7:**

Provide a copy of all studies and/or other analyses prepared by or for the Company that address its post-merger capitalization, including, but not limited to, rebalancing its capital structure, additional equity investments by Dominion Energy, reductions and/or refinancings of debt, and/or amount(s) and source(s) of short-term debt. If this has been previously provided in another docket or another response in this Docket, please indicate as such.

**RESPONSE NO. 3-7:**

In 2019, efforts were undertaken to satisfy merger commitments related to re-aligning DESC's capital structure. The decision was made by Dominion to reduce debt in order to satisfy this commitment and support an improvement in credit ratings. Analyses provided in responses 3-9 and 3-10 show the process undertaken to determine which debt issuances to target for payoff. DESC utilized cash on hand, equity infusions and intercompany borrowings to fund these reductions.

**PERSON RESPONSIBLE: Jonathan Evans and Sarah French**

**DOMINION ENERGY SOUTH CAROLINA, INC.  
OFFICE OF REGULATORY STAFF'S SIXTH AND CONTINUING REQUEST  
FOR BOOKS, RECORDS AND OTHER INFORMATION  
DOCKET NO. 2020-125-E**

**REQUEST NO. 6-4:**

Refer to the response to ORS Request 3-9(a), which states in its entirety: "Refer to Rates Request #5 (2019-6-G) for a description of the Company's post-merger tender offers in the first quarter of 2019, including the reason for and the scope and timing of the tender offers. See the 3.9.a attachment from February 4th which describes the reason, scope, and timing of the tender offers.

- a. Identify the date(s) that representatives from any Dominion Energy and/or SCANA entity held discussions with, made presentations to, and/or shared or otherwise provided any other documents to ORS in 2018 that addressed potential tender offers post-merger. In addition, provide a copy of any notes made on or about the time of such discussions, presentations, or sharing or provision of documents. Further, identify all Dominion Energy and SCANA employees present or who otherwise participated in such activities, including their positions and roles in the activities.
- b. Identify the date(s) that representatives from any Dominion Energy entity held discussions with, made presentations to, and/or shared or otherwise provided any other documents to ORS in 2019 that addressed potential or actual tender offers post-merger. In addition, provide a copy of any notes made on or about the time of such discussions, presentations, or sharing or provision of documents. Further, identify all Dominion Energy and SCANA employees present or who otherwise participated in such activities, including their positions and roles in the activities.
- c. Provide specific record references to all disclosures in Docket No. 2017-370-E that the Company planned to reduce outstanding long-term debt through tender offers after the merger closed.
- d. Provide specific record references to all disclosures in Docket No. 2017-370-E that the Company planned to reduce outstanding long-term debt through tender offers after the merger closed and that this would increase the average cost of long-term debt by approximately 90 basis points.

**RESPONSE NO. 6-4:**

- a. No formal presentations were provided to ORS in advance of this transaction.
- b. No formal presentations were provided to ORS in advance of this transaction.
- c. No specific record references exist specifically stating that the Company planned to reduce outstanding long-term debt through tender offers after the merger closed.

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- d. No specific record references exist specifically stating that the Company planned to reduce outstanding long-term debt through tender offers after the merger closed and that this would increase the average cost of long-term debt by approximately 90 basis points. The Company committed as part of the merger to rebalance the capital structure and maintain credit metrics. The debt tender offers were undertaken in furtherance of that commitment. The debt targeted for repurchase was that which required the lowest premium to redeem.

**PERSON RESPONSIBLE: Iris Griffin and Prabir Purohit**

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**REQUEST NO. 6-3:**

Refer to the response to ORS Request 3-7 wherein it states that "In 2019, efforts were undertaken to satisfy merger commitments related to re-aligning DESC's capital structure. The decision was made by Dominion to reduce debt in order to satisfy this commitment and support an improvement in credit ratings." Indicate when was this decision made by "Dominion" and identify the person(s) who made the decision (name(s) and position(s)).

**RESPONSE NO. 6-3:**

This decision was made in early 2019 by Jim Chapman, Executive Vice President Chief Financial Officer & Treasurer and Prabir Purohit, Vice President Finance. This decision was made in furtherance of the merger condition that requires Dominion Energy to provide equity as needed to DESC with the intent of maintaining DESC's capital structure targeted within a range of 50%-55% equity that is consistent with existing regulatory guidelines and improving credit ratings.

**PERSON RESPONSIBLE: Iris Griffin**

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**REQUEST NO. 3-1:**

Provide a copy of all procedures, guidelines, and/or instructions that address the tracking and accounting for post-acquisition costs incurred by Dominion Energy, Dominion Energy Services, SCANA, SCANA Services, and Dominion Energy South Carolina to: 1) convert and/or integrate all SCANA and DESC information systems to conform to Dominion Energy requirements and/or standards, 2) convert/integrate all SCANA and DESC accounting systems to conform to Dominion Energy requirements and/or standards, 3) convert and/or integrate all SCANA and DESC operating systems to conform to Dominion Energy requirements and/or standards, 4) modify SCANA and DESC production, transmission, and distribution operations to conform to Dominion Energy requirements and/or standards, and/or 5) implement Dominion Energy best practices.

**RESPONSE NO. 3-1:**

Beginning in January 2018, the Company began providing employees working on integration activities instructions on how time and expenses related to these activities should be coded. Specifically, the Company has utilized elements of the PeopleSoft accounting key to track these costs in a manner in which they can be identified and recorded at the SCANA Holding Company level (not billed down to DESC or other SCANA subsidiary companies) or coded to below-the-line accounts. This has primarily been through e-mail communication to employees working on these activities. Copies of e-mails documenting this communication are attached in the pdf file titled "Merger Expense Coding Communications".

V.C. Summer Unit 1 Finance personnel established guidance for site personnel to use for time and expenses related to IT integration matters. This guidance, attached in the Excel Spreadsheet titled "VCS1 Account Codes-IT Integration", directs such costs to below-the-line accounts and was disseminated to site personnel in February 2020 prior to significant costs related to these activities being incurred.

At the Dominion Energy level, similar charging guidance has been provided and specific SAP Work Breakdown Structures ("WBS") have been provided for these costs. See attached spreadsheet titled "SCANA Merger\_SAP Charging Guidance\_01\_10\_19". However, such costs incurred at the DEI level have not been billed down to either Dominion Energy Southeast Services or DESC.

In addition, the Company has taken other opportunities to communicate this guidance. See pages 7 and 8 of the attached PowerPoint slide deck titled



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"Functional Co-Team Leads Meeting 09\_10\_2019v1" for an example of such communication.

The Company has made a good faith effort to record integration costs in a manner consistent with Commission Order No. 2018-804 and the FERC's Hold Harmless Provisions. In the event costs have been recorded to utility operations, it has been done so inadvertently.

**PERSON RESPONSIBLE:** Keith C. Coffey, Jr. and Zachary Long

HONEYCUTT, LISA W

From: COFFER, KEITH C JR  
Sent: Wednesday, February 14, 2018 6:20 PM  
To: HINSON, BYRON W; ROBINSON, RACHEL M; ROOKS, ALLEN W; HENDRIX, JOHN R; SMITH, JATON R; HARRISON, TAMMY B; KOCHEMS, KEVIN R; SWAN, JAMES E IV; SMITH, VIRGINIA D; BURGESS, KENNETH CHAD; GISSENDANNER, MATTHEW W; DELK, HENRY E JR; STANTON, MATTHEW; SCHELBLE, DENISE W; HONEYCUTT, LISA W; WITHYCOMBE, LESLIE S; SCURRY, EMBRE B (Accounting); CHEWNING, RICHARD WOODRUFF V; CLEMENTS, CAROL H; GORTMAN, LYDIA K; MCCRAVY, ERNEST E; MORRIS, BILLIE KAY; SPARKS, MARK L  
Cc: JACKSON, KENNETH R; GRIFFIN, IRIS  
Subject: Time Coding For ORS Audit Information Request

All –

The FERC has very specific requirements that must be followed when incurring merger related costs. The objective of these requirements is to ensure that ratepayers are protected from adverse effects on rates that may result from such transactions. The policies are commonly referred to as "hold harmless" provisions. There is a 76 page FERC policy statement that addresses this issue, but it can really be boiled down to the following statement:

*"Specifically, the Commission's long-standing policy is that costs incurred to effectuate a merger are non-operating in nature, and they should be recorded in Account 426.5, Other Deductions."*

The issue we have to consider is that although the data request we are responding to looks a lot like a retail ratemaking issue, and issues that presumably were going to have to be addressed regardless of whether there was a merger or not, the Joint Petition has an aspect of seeking merger approval.

I have consulted with Sara and Chad and they have advised that in order to be in compliance with the hold harmless provisions, we should track our time spent on the data request response according to whether the question is a merger or ratemaking issue.

They acknowledge, and I think we would all agree, the practicality of that becomes difficult. Therefore, it has been decided that we should code all activity related to responding to this request to account 426.5. The distribution is below. We have also provided an event code. It is important that the event code is used to allow us to be able to identify the costs so that we can report as O&M in our SEC filings.

Thanks and if you have any questions please let me know.

Casey

Distribution to use for data request response:

Operating Unit: RADM

Account Number: 426.5000

Event Code: JPR

Folks – please see Casey’s ~~message below on accounting for merger related costs~~. We will also be setting up a small number of new event codes as needed to track certain items such as branding.

Thanks!

Joanna Greene

jgreene1@scana.com  
w 803.217.7354/c 803.609.1930

From: COFFER, KEITH C JR (SCANA Services - 6) <KCOFFER@scana.com>  
Sent: Tuesday, January 8, 2019 5:42 PM  
To: GREENE, JOANNA G (SCANA Services - 6) <JGREENE1@scana.com>  
Cc: WEINBERG, SARA CARYNA (SCANA Services - 6) <SARA.WEINBERG@scana.com>  
Subject: Merger Expense Coding Reminder

Joanna,

We have received a few questions regarding time and expense coding now that the merger has been consummated. Merger transition and integration costs should continue to be charged to the merger accounting distribution under the Federal Energy Regulatory Commission’s (“FERC”) “hold harmless” provisions and Dominion’s commitment to the Public Service Commission of South Carolina to not include these costs in rate recovery. An excerpt from the FERC’s Policy Statement on Hold Harmless Commitments is included below and provides general guidance on the types of costs considered transition and integration related for this purpose. Note that the FERC acknowledges that these costs can be incurred for several years after the merger transaction is consummated. As a reminder, the merger accounting distribution is:

~~Operating Unit: SHCO~~  
~~Account Number: 426.5013~~  
~~Event Code: DOM~~

In addition, employees may start incurring expenses that are related to ongoing business operations. For example, if an employee travels to Richmond for general business meetings, then these costs should be coded to the business purpose.

If at any time there are questions, employees can reach out to their accounting support.

***Sara Weinberg has reviewed this communication.***

Thanks,  
Casey

23. The Commission stated that there is a second category of transaction-related costs related to mergers, where, in addition to the costs to consummate the transaction described above, parties typically also incur costs to integrate the operations and assets of the merging companies in order to achieve merger synergies.<sup>29</sup> These costs, which are sometimes referred to collectively as “transition” costs, are incurred after the transaction is consummated, often over a period of several years. These costs include both the internal costs of employees spending time working on transition issues, and external costs paid to consultants and advisers to reorganize and consolidate functions of the merging entities to achieve merger synergies. These costs may also include both capital items (e.g., a new computer system or software, or costs incurred to carry out mitigation commitments accepted by the Commission in approving the transaction to address competition issues, such as the cost of constructing new transmission lines) and expense items (e.g., costs to eliminate redundancies, combine departments, or maximize contracting efficiencies). The Commission proposed that such transition costs incurred to integrate the operations of merging companies include, but are not limited to, the following:

- \*7 · engineering studies needed both prior to and after closing the merger;
- severance payments;
- operational integration costs;
- accounting and operating systems integration costs;
- costs to terminate any duplicative leases, contracts, and operations; and
- financing costs to refinance existing obligations in order to achieve operational and financial synergies. 30

24. The Commission stated that this list of transition costs is not exhaustive, and may include other categories of costs incurred or paid in connection with the integration of two utilities after a merger. Thus, the Commission proposed to consider transition costs as transaction-related costs that should be subject to hold harmless commitments on a case-by-case basis and that such transaction-related costs should be covered under hold harmless protection, although noting that applicants will have an opportunity to show why certain of those costs should not be considered transaction-related costs under their hold harmless commitment based on their particular circumstances. Also, the Commission proposed to consider, on a case-by-case basis, whether other costs not discussed herein should be subject to hold harmless commitments.

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**REQUEST NO. 6-2:**

Refer to pages 11-12 of the Merger Expense Coding Communications.pdf provided in response to ORS Request 3-1, which provide a copy of an email from Keith Coffey dated January 8, 2019 that addresses the FERC accounting guidance for "hold harmless" conditions, including the FERC's definition of certain transition and integration costs as transaction costs for purposes of such hold harmless conditions, including, but not limited to "financing costs to refinance existing obligations in order to achieve operational and financial synergies." Provide a copy of all internal and external correspondence, studies, analyses, and all other written documentation prepared by or for the Company or any other Dominion Energy entity that addresses the applicability of this FERC guidance to the decision, whether Dominion Energy's or DESC's, to reacquire approximately \$1.7 billion in outstanding DESC debt and to defer the losses on the reacquired debt for recovery from ratepayers instead of recording the losses below the line

**RESPONSE NO. 6-2:**

There are no written analyses or documents responsive to the request. DESC does not consider the costs of reacquiring the debt to be a transaction cost or transition cost, as defined by FERC. Moreover, the costs of reacquiring the debt are not identified as transaction or transition costs in the PSC merger order. Therefore, DESC properly followed the treatment prescribed in General Instruction 17 of the Uniform Systems of accounts for the costs incurred related to the debt redemptions.

**PERSON RESPONSIBLE:** Iris Griffin and Keith C. Coffey, Jr.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Dominion Energy South Carolina, Inc.			2019/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

Judgment and the use of estimates are required in developing the provision for income taxes and reporting of tax-related assets and liabilities. The interpretation of tax laws involves uncertainty, since tax authorities may interpret the laws differently. DESC is routinely audited by federal and state tax authorities. Ultimate resolution of income tax matters may result in favorable or unfavorable impacts to net income and cash flows, and adjustments to tax-related assets and liabilities could be material.

The 2017 Tax Reform Act included a broad range of tax reform provisions. The 2017 Tax Reform Act reduced the corporate income tax rate from 35% to 21% for tax years beginning after December 31, 2017. At the date of enactment, deferred tax assets and liabilities were remeasured based upon the new 21% enacted tax rate expected to apply when temporary differences are realized or settled. The specific provisions related to regulated public utilities in the 2017 Tax Reform Act generally allow for the continued deductibility of interest expense, changed the tax depreciation of certain property acquired after September 27, 2017, and continued certain rate normalization requirements for accelerated depreciation benefits.

As indicated in Note 2, DESC's operations, including accounting for income taxes, are subject to regulatory accounting treatment. For regulated operations, many of the changes in deferred taxes represent amounts probable of collection from or refund to customers, and were recorded as either an increase to a regulatory asset or liability. The 2017 Tax Reform Act included provisions that stipulate how these excess deferred taxes may be passed back to customers for certain accelerated tax depreciation benefits. Potential sharing of other deferred taxes will be determined by our regulators. See Note 3 for more information.

DESC has completed the accounting for the effects of the 2017 Tax Reform Act, although changes could occur as additional guidance is issued and finalized, particularly as it relates to the deductibility of interest expense in consolidated groups such as Dominion Energy. In addition, the major states in which DESC operates have addressed conformity with some or all of the provisions of the 2017 Tax Reform Act, although they may have modified certain provisions.

The Company's operations, including accounting for income taxes, are subject to regulatory accounting treatment. For regulated operations, many of the changes in deferred taxes mandated by the 2017 Tax Reform Act represented amounts probable of collection from or return to customers, and were recorded as either an increase to regulatory assets in account 182.3 – Other Regulatory Assets or an increase to regulatory liabilities in account 254 – Other Regulatory Liabilities. Those regulatory assets or liabilities created a temporary difference for which a deferred tax liability in account 282 – Accum. Deferred Income Taxes – Other Property or 283 – Accum. Deferred Income Taxes - Other or a deferred tax asset in account 190 – Accumulated Deferred Income Taxes were required to be recognized consistent with the accounting guidance issued by the FERC Chief Accountant in Docket No. AI93-5-000 with respect to changes in tax law or rates. The Company has certain regulatory assets and liabilities that have not yet been charged or returned to customers through rates.

The Company has recorded an estimate of excess deferred income tax (EDIT) amortization in 2019 and estimates of amounts probable of collection from or return to customers. The Company has recorded the amortization of the excess and/or deficient accumulated deferred income taxes recorded in Account 254 and/or Account 182.3 by recording the offsetting entries to Account 410.1 – Provision for Deferred Income Taxes or Account 411.1 – Provision for Deferred Income Taxes - Cr, as required by the Uniform System of Accounts (USofA). The 2017 Tax Reform Act included provisions that stipulate how plant-related, or "protected", EDIT may be amortized, and the FERC has provided guidance on the amortization of non-plant-related, or "unprotected" differences. The Company is using the average rate assumption method (ARAM) to calculate the amortization of its excess accumulated deferred income taxes associated with plant-related temporary differences. Under ARAM, the excess accumulated deferred income taxes will reverse at the weighted average rate at which the deferred taxes were built over the remaining book life of the property to which those deferred taxes relate. These reversal periods average 50 years. For non-plant-related excess or deficient accumulated deferred income taxes, the balances will reverse over 5 years, or in the case of Nuclear Project-related EDIT, 20 years. These EDIT balances will be included in the Company's state jurisdictional retail rates over the amortization periods and are expected to be included in future FERC jurisdictional transmission rates over similar periods. Electric amortization began February 2019. Gas amortization began November 2018.

**Excess Deferred Income Tax – Electric**  
(millions)

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**REQUEST NO. 3-14:**

Provide a schedule in live Excel spreadsheet format with all formulas intact showing the net operating loss carryforwards and related accumulated deferred income taxes by month from December 2015 through December 2019, including all activity and the source/reason for such activity (e.g., increases in losses and asset NOL ADIT for taxable losses, reductions due writeoffs, reductions due to the ability of Dominion Energy to utilize DESC's losses on its consolidated return). Disaggregate the asset NOL ADIT each month into the portion reflected in the Capital Cost Rider and the remainder, if any.

**RESPONSE NO. 3-14:**

Please see the attached schedule for a rollforward of the federal net operating loss carryforward (NOLC) and related accumulated federal deferred income taxes.

The NOLC per the 2017 federal income tax return was approximately \$2.6 billion and approximately \$0.8 billion of this loss was carried back to 2015 to offset income recognized in that year leaving approximately \$1.8 billion to be carried into 2018. In 2018, approximately \$0.2 billion of the NOLC was used to offset income from 2018 leaving a balance of approximately \$1.6 billion as the NOLC at the beginning of 2019.

In 2019, as a result of certain preliminary IRS audit adjustments that impacted the timing of when certain deductions were allowed, the NOLC related to 2017, and therefore the balance as of January 2019, increased approximately \$0.1 billion to approximately \$1.7 billion. The tax effect of the \$1.7 billion NOLC is reflected for GAAP purposes, but for regulatory purposes the NOLC is limited to \$1.5 billion under the Capital Cost Rider. *Note:* This is a rollforward schedule, and as such the amount of the write-off reflected herein will not tie to the entries requested in NO. 3-13, however, the Capital Cost Rider does not reflect an NOLC or accumulated deferred income taxes (including excess deferred income taxes) in excess of that agreed to in the Commission's Order 2018-804 wherein it adopted the Company's Plan B – Levelized.

Under the Capital Cost Rider, the NOLC would be reduced by Dominion Energy's ability to utilize the NOLC to reduce its income tax liability. The attached schedule also reflects the federal NOLC and associated deferred taxes in the Capital Cost Rider, by month. In the fourth quarter 2019, Dominion Energy believed it would be able to utilize approximately \$0.2 billion of the NOLC, which is the limit under the tax law following Dominion Energy's acquisition of SCANA, and as such the NOLC and associated accumulated deferred income taxes were

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adjusted to account for this expected utilization over the remaining three months of 2019. The \$0.2 billion is an annual amount, however this utilization was reflected entirely in the fourth quarter as transactions that transpired or were expected to transpire in the fourth quarter, made it more-likely-than-not that \$0.2 billion of the NOLC would be utilized in 2019.

In addition, Dominion Energy and SCANA entered into an agreement to sell SCANA Energy Marketing's assets in December 2019. This sale generated taxable income, but the NOLC could be used to offset this gain under the tax law. As such, the NOLC was further reduced by an estimate of the gain associated with the sale of SCANA Energy Marketing's assets in December 2019.

**PERSON RESPONSIBLE: Virginia Smith**



	Federal NOL per return	ADIT at 35%	ADIT at 21%	EDIT	Reg Liability	DTL on Reg Liability
2017 NOL	2,618,644,309	916,525,508				
Carryback to 2015	(760,701,752)	(266,245,613)				
Carryforward to 2018	1,857,942,557	650,279,895	390,167,937	260,111,958	329,255,643	(69,143,685)
2018 Taxable income	(262,151,899)	(91,753,165)	(55,051,899)	(36,701,266)	(46,457,299)	9,756,033
Carryforward to 2019	1,595,790,658	558,526,730	335,116,038	223,410,692	282,798,344	(59,387,652)
Federal Audit Adjustment (preliminary)	100,119,086	35,041,680	21,025,008	14,016,672	17,742,623	(3,725,951)
Limited per merger order	(171,494,390)	(60,023,037)	(36,013,822)	(27,427,364)	(34,718,182)	7,290,818
NOL used in 2019 (limited by law)	(317,000,000)	(110,950,000)	(66,570,000)	(24,009,215)	(30,391,411)	6,382,196
Additional NOL used to offset SEMI sale gain (per accrual)	1,207,415,354	422,595,374	253,557,224	(44,380,000)	(56,177,215)	11,797,215
NOL balance as of 12/31/2019				141,610,785	179,254,159	(37,643,373)

	Federal NOL in CCR	ADIT at 35%	ADIT at 21%	EDIT	Reg Liability	DTL on Reg Liability
Carryforward to 2019	1,595,790,658	558,526,730	335,116,038	223,410,692	282,798,344	(59,387,652)
Federal Audit Adjustment (preliminary)	100,119,086	35,041,680	21,025,008	14,016,672	17,742,623	(3,725,951)
Limited per Merger Order	(195,909,744)	(68,568,410)	(41,141,046)	(27,427,364)	(34,718,182)	7,290,818
NOL per CCR	1,500,000,000	525,000,000	315,000,000	210,000,000	265,822,785	(55,822,785)
NOL used in 2019 (limited by law)	(171,494,390)	(60,023,037)	(36,013,822)	(24,009,215)	(30,391,411)	6,382,196
Additional NOL used to offset SEMI sale gain (per accrual)	(317,000,000)	(110,950,000)	(66,570,000)	(44,380,000)	(56,177,215)	11,797,215
NOL balance as of 12/31/2019	1,011,505,610	354,026,964	212,416,178	141,610,785	179,254,159	(37,643,373)

	Federal NOL in CCR	ADIT at 35%	ADIT at 21%	EDIT	Reg Liability	DTL on Reg Liability
Feb-19	1,500,000,000	525,000,000	315,000,000	210,000,000	265,822,785	(55,822,785)
Mar-19	1,500,000,000	525,000,000	315,000,000	210,000,000	265,822,785	(55,822,785)
Apr-19	1,500,000,000	525,000,000	315,000,000	210,000,000	265,822,785	(55,822,785)
May-19	1,500,000,000	525,000,000	315,000,000	210,000,000	265,822,785	(55,822,785)
Jun-19	1,500,000,000	525,000,000	315,000,000	210,000,000	265,822,785	(55,822,785)
Jul-19	1,500,000,000	525,000,000	315,000,000	210,000,000	265,822,785	(55,822,785)
Aug-19	1,500,000,000	525,000,000	315,000,000	210,000,000	265,822,785	(55,822,785)
Sep-19	1,500,000,000	525,000,000	315,000,000	210,000,000	265,822,785	(55,822,785)
Oct-19	1,442,835,203	504,992,321	302,995,393	201,996,928	255,692,315	(53,695,386)
Nov-19	1,385,670,407	484,984,642	290,990,785	193,993,857	245,561,844	(51,567,987)
Dec-19	1,011,505,610	354,026,964	212,416,178	141,610,785	179,254,159	(37,643,373)

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**REQUEST NO. 5-2:**

Describe the source(s) of the federal and state NOL ADIT reflected in the monthly calculation of the Capital Cost Rider, including the use of estimates for the utilization of the federal and state NOL carryforwards in the current year and any true-ups in the following year after the federal and state tax returns are filed and/or subsequently amended.

**RESPONSE NO. 5-2:**

The source of the federal and state NOL ADIT reflected in the Capital Cost Rider are both based on the \$1.5 billion NOL allowed to be recovered. As described below, while the federal and state limitations on using the NOL are different, Dominion is using the federal NOL rules for purposes of the Capital Cost Rider as these permit larger reductions, particularly at the state level, to the NOL ADIT balance reflected therein.

As explained in Response 3-14, the federal NOL ADIT in the Capital Cost Rider was reduced by approximately \$0.2 billion in the fourth quarter, which is the limit under the tax law, and by an additional amount of approximately \$0.3 billion in connection with the sale of SCANA Energy Marketing's assets in December 2019. For ratemaking purposes, the state NOL ADIT in the Capital Cost Rider is also based on a \$1.5 billion NOL and reflects the same reductions (approximately \$0.5 billion) as the federal NOL.

South Carolina also limits the utilization of the state NOL subsequent to Dominion Energy's acquisition of SCANA, however, the allowed state NOL utilization is lower than permitted under the Internal Revenue Code. South Carolina also allows an additional NOL utilization for the sale of the SCANA Energy Marketing assets, but again this utilization is lower than the federal allowance. Allowing the state NOL utilization to equal the federal NOL utilization for ratemaking purposes results in a lower state NOL reflected in the Capital Cost Rider which specifically benefits the ratepayer.

The 2019 federal and state tax returns have not yet been filed, but we do expect a modest decrease to the NOL utilization (approximately \$50 million pre-tax) as a result of the return to accrual process. This adjustment will be recorded in 2020 and also reflected in the Capital Cost Rider based on Dominion Energy's ability to utilize the NOL. This adjustment is primarily attributable to finalizing the gain on the sale of SCANA Energy Marketing's assets and will increase the NOL ADIT by approximately \$19 million ( $\$50 \text{ million} \times 38.25\%$ ), including EDIT.

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**PERSON RESPONSIBLE: Virginia Smith**

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**REQUEST NO. 5-3:**

Provide a copy of the Excel workbook and/or any other source(s) for the federal and state NOL ADIT reflected in the monthly calculation of the Capital Cost Rider from January through the most recent month for which actual information is available.

**RESPONSE NO. 5-3:**

The information responsive to this request is included in attachment "5-1 DESC Capital Cost Rider Model" provided in response to Request No. 5-1.

**PERSON RESPONSIBLE:** Rachel Elliott

**DOMINION ENERGY SOUTH CAROLINA, INC.  
SOUTH CAROLINA OFFICE OF REGULATORY STAFF'S FIFTH  
CONTINUING REQUEST FOR BOOKS, RECORDS AND OTHER  
INFORMATION  
DOCKET NO. 2020-125-E**

**REQUEST NO. 5-4:**

Refer to the 9 CCR tab in 1-5 Pro Forma Listing.xlsx. Certain amounts are input values. Provide a version of this spreadsheet with the amounts linked to Attachment 1-5 PF Adj #9 Capital Cost Rider Adjustment 1.xlsx or other source Excel workbooks or spreadsheets and/or documents. To the extent that amounts are sourced from the Company's trial balance, then identify the specific account/subaccount.

**RESPONSE NO. 5-4:**

The information responsive to this request is included in attachment "5-4 PF Adj #9 CCR Input Values Linked to Supporting Schedules."

**PERSON RESPONSIBLE: Rachel Elliott**

DOMINION ENERGY SOUTH CAROLINA, INC.  
ELECTRIC PRO FORMA ADJUSTMENTS  
TEST YEAR ENDED DECEMBER 2019

Adjustment Title:

Adjustment #9  
Capital Cost Rider Adjustment

Allocation Method:

(1) Allocated Production Plant  
(2) & (3) Allocated to Retail Only

Allocation Breakdown:

		Total	Wholesale	Retail
(1) Depreciation & Amortization Expense	\$	(126,871,525)	0	(126,871,525)
	%	100.00%	0.00%	100.00%
(1a) Depreciation & Amortization Expense	\$	(53,023)	(1,607)	(51,416)
	%	100.00%	3.03%	96.97%
(2) Plant in Service	\$	(2,686,097)	(81,389)	(2,604,708)
	%	100.00%	3.03%	96.97%
(3) Accumulated Depreciation	\$	(1,251,835)	(37,931)	(1,213,905)
	%	100.00%	3.03%	96.97%
(4) Revenue	\$	(624,525,738)	0	(624,525,738)
	%	100.00%	0.00%	100.00%
(5) Other Taxes (Gross Receipts)	\$	3,115,759	0	3,115,759
	%	100.00%	0.00%	100.00%
(6) Fed. Income Taxes	\$	(48,095,662)	0	(48,095,662)
	%	100.00%	0.00%	100.00%

Purpose of Adjustment:

Adjustment for amounts related to Capital Cost Rider and other merger related commitments associated with Order 2018-804.

Impact of Adjustment:

	Per Response No. 1-5	Linked Values
Remove Regulatory Asset - Unrecovered New Nuclear Plant Amortization	(\$126,871,525)	(\$126,871,525)
Increase (Decrease) Depreciation & Amortization Expense	(\$126,871,525)	
State Tax @ 5%	\$6,343,576	
Federal Tax ((Margin - State Tax) @ 21%)	\$25,310,869	
Net Impact of Adjustment	(\$95,217,080)	
(Increase)/Decrease Revenue for Capital Cost Rider (Feb 19 - Dec 19)	\$110,597,852	\$110,597,852
(Increase)/Decrease Revenue for NND (Jan 19)	\$6,135,980	\$6,135,980
(Increase)/Decrease Revenue for NND Transmission (Jan 19)	(\$2,517,897)	(\$2,517,897)
(Increase)/Decrease Revenue for Revenue Subject to Refund Manual Tax Reform Journals (Jan 19)	(\$553,674)	(\$553,674)
(Increase)/Decrease Revenue for Toshiba Reg Liability Amortization	\$61,600,000	\$61,600,000
(Increase)/Decrease Revenue for Rate Refund Reg Liability Amortization	\$207,212,000	\$207,212,000
(Increase)/Decrease Revenue for Rate Refund Reg Liability	(\$1,007,000,000)	(\$1,007,000,000)
Total (Increase)/Decrease Revenue Related to New Nuclear	(\$624,525,738)	
Gross Receipts and PSC Support Tax	0.004989	0.004989
Increase (Decrease) in Other Taxes	\$3,115,759	
State Tax @ 5%	\$31,070,499	
Federal Tax ((Margin - State Tax) @ 21%)	\$123,971,291	
Net Impact of Adjustment	(\$466,368,189)	
Remove NND EDIT Regulatory Liability Amortization	(\$16,873,912)	(\$16,873,912)
Remove NND EDIT Regulatory Asset Amortization	\$64,969,574	\$64,969,574
Increase (Decrease) Federal Tax Expense	(\$48,095,662)	
Settlement Properties: (Settlement Agreement Property to be Conveyed)		
Increase (Decrease) Plant in Service	(\$2,686,097)	(2,686,097)
Increase (Decrease) Accumulated Depreciation	(\$1,251,835)	(1,251,835)
Increase (Decrease) Depreciation & Amortization Expense	(\$53,023)	(53,023)
State Tax @ 5%	\$2,651	
Federal Tax ((Margin - State Tax) @ 21%)	\$10,578	
Net Impact of Adjustment	(\$39,794)	

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**REQUEST NO. 6-6:**

Refer to the response to ORS Request 3-14, which provides a schedule of the NOLC, which states, in part, "the Capital Cost Rider does not reflect an NOLC or accumulated deferred income taxes (including excess deferred income taxes) in excess of that agreed to in the Commission's Order No. 2018-804 wherein it adopted the Company's Plan B-Levelized."

- a. Explain this limitation in greater detail, e.g., in excess of the initial balance, in excess of the forecast annual NOLC utilization and remaining balances in the Excel workbook modeling the Company's Plan B-Levelized, etc. Identify the source of this (these) limitation(s) and all references in the record in Docket No. 2017-370-E.
- b. Confirm it is the Company's position that the actual NOLC ADIT is and will be used in the Capital Cost Rider to the extent it is less than the forecast annual NOLC ADIT. If this is not correct, then provide a corrected statement and identify the source of the information reflected in the corrected statement.
- c. Refer to Answer 3-14 -revised.xlsx provided in response to ORS Request 3-14. There are two lines that refer to "Federal Audit Adjustment (Preliminary)." Provide the amounts of this adjustment in all columns by tax year that was under audit and subject to adjustment. In addition, explain why the additional NOLC ADIT related to the Federal Audit Adjustment should be included in the Capital Cost Rider.
- d. Provide a calculation of taxable income for each year 2015 through 2019 (actual) and for 2020 (forecast), including all income, deductions (including, but not limited to, abandonment loss deduction(s) and loss on reacquired debt deductions, and Schedule M reconciling items), and the NOL carryback and NOL carryforward calculations, including any write-offs due to Plan B-Levelized, utilization of the NOL carryback in 2015 and utilization of the NOL carryforward in 2018 and 2019 and forecast for 2020.

**RESPONSE NO. 6-6:**

- a. The beginning balance of the NOLC at acquisition per the filed 2018 tax return is approximately \$1.6 billion. The NOLC per books is approximately \$1.7 billion, including the Federal Audit Adjustment (Preliminary). Both of these amounts exceed the NOLC allowed for ratemaking purposes, \$1.5 billion. For GAAP purposes, the NOLC and associated deferred taxes are required to reflect the \$1.7 billion NOLC. In contrast, the Company is only allowed to include \$1.5 billion of the NOLC in ratemaking, therefore approximately \$0.2 billion of the NOLC and the associated deferred income taxes is excluded from rate recovery in the Capital Cost Rider as

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shown in cell C26 of Attachment 3-14. See responses b. and c. below and Order No. 2018-804 page 53.

- b. Yes, it is the Company's position that the actual NOLC ADIT is and will be used in the Capital Cost Rider to the extent it is less than the forecast annual NOLC ADIT. If the initial NOLC was less than \$1.5 billion, which it is not, the lower NOLC would be used. The NOLC in the Capital Cost Rider is based on the \$1.5 billion NOLC less Dominion Energy's utilization of the NOLC to offset its taxable income. As described in the response to a. above, the NOLC per return and per books is greater than the amount allowed for ratemaking purposes. See also Response No. 5-2 for additional discussion of the NOLC in the Capital Cost Rider.
- c. The Federal Audit Adjustment (Preliminary) increased the total NOLC on the Company's books and records, which merely increased the NOLC excluded from rate recovery under the Capital Cost Rider. The NOLC included in the Capital Cost Rider remains at the lower, agreed upon amount of \$1.5 billion. The amount disallowed or excluded from rate recovery is \$0.2 billion reduction shown in cell C26 Attachment 3-14.
- d. The Company is part of Dominion Energy's federal income tax return post-acquisition. Reductions in the Company's federal NOLC are based on Dominion Energy's ability to utilize the NOLC to offset its taxable income post-acquisition. While the Company may have generated deductions for activities such as redemptions of debt instruments, its results are not evaluated separately from Dominion Energy. Dominion Energy had sufficient taxable income even after these deductions to utilize the NOLC.

This is not the case at the state level, but as noted in Response 5-2, the state NOLC is following the more favorable federal utilization for ratemaking purposes and administrative ease. As shown in Attachment 3-14, the NOLC in the Capital Cost Rider was reduced by approximately \$0.5 billion in 2019 for federal and state purposes, which was the federal NOLC utilization amount per accrual. As discussed in response to question 5-2, this \$0.5 billion will be reduced by \$0.05 billion to reflect the actual NOLC utilization on Dominion Energy's tax return, and this adjustment will be reflected in the Capital Cost Rider in September 2020. The NOLC in the Capital Cost Rider for 2020 projects approximately \$0.2 billion NOLC utilization, as Dominion Energy expects to be able to reduce its taxable income by this amount.

The Company has a small NOL, approximately \$0.03 billion, generated from its short period ("one-day") return in 2019 that may be carried back under the CARES Act. The IRS is currently examining the Company's returns from 2013-2017, and this \$0.03 billion may be used to offset taxes due for the applicable open periods.



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**PERSON RESPONSIBLE: Virginia Smith**